99TH CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPORT
99-860

EDUCATION OF THE HANDICAPPED ACT AMENDMENTS OF 1986

SEPTEMBER 22, 1986.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HAWKINS, from the Committee on Education and Labor, submitted the following

REPORT

[To accompany H.R. 5520]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and Labor, to whom was referred the bill (H.R. 5520) to amend the Education of the Handicapped Act to reauthorize the discretionary programs under that Act, to authorize an early intervention program under that Act for handicapped infants and toddlers and their families, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill do pass.

The amendments appear in italic type in the reported bill.

SUMMARY

As approved by the Committee on Education and Labor, H.R. 5520 accomplishes three objectives. First, the bill amends the Education of the Handicapped Act (EHA) by establishing a new Federal discretionary program to assist States to develop and implement a comprehensive, coordinated, interdisciplinary program of early intervention services for handicapped infants and toddlers and their families.

Second, the bill amends the pre-school incentive provision and other sections in part B of EHA to strengthen the incentive for States to serve all handicapped children aged three to five, inclusive. Finally, the bill amends part B evaluations and amends and extends the authority for the discretionary programs under parts C through G.

H343-29

COMMITTEE ACTION

Hearings were held by the Subcommittee on Select Education to extend the discretionary programs under the Education of the Handicapped Act (hereinafter in this report referred to as "the Act") on August 27, October 22 and 23, and November 26, 1985.

The witnesses testifying were: Judy Johnson, Office of Public Instruction, State of Montana, accompanied by Gail Gray, Director of Special Education, State of Montana; Michael Hagen, Director, Montana Center for Handicapped Children, Eastern Montana College; Katharin Kelker, Parent; Richard Van Den Pol, Director, Big Sky Preschool Program, University of Montana; Robert Richards, Superintendent, Plentywood School District, Plentywood, Montana; Doris Helge, Director, National Rural Development Institute, Western Washington University.

Others providing testimony were: Judith A. Burkhartsmeyer, Ed.S., Montana Association of School Psychologists; Christine Y. Mason, Ph.D., Associate Professor, Eastern Montana College; Ralph Kroon, Montana Rural Education Center; Susan E. Lehinger, Ed.D., Director, Human Services and Education Departments, Flathead Valley Community College; Montana Association for Children and Adults with Learning Disabilities; George C. Camp, Ph.D., Associate Professor of School Psychology, University of Montana; and Richard B. Offner, Ph.D., Director, Montana University Affiliated Program Satellite, University of Montana.

Also testifying were: Carl Dunst, Ph.D., Director, Family, Infant, and Preschool Programs, Western Carolina Center; Brian A. McNulty, Ph.D., Executive Director of Special Education, Colorado Department of Education; Eugene Edgar, Ph.D., Professor, University of Washington; William R. Scales, Ph.D., Assistant Director, Counseling Center and Director, Disabled Student Services, University of Maryland; Andrew Abramson, Student, American University, Washington, D.C.; and Beth Stephens, Ph.D., Director, Department of Defense Dependent Schools.

Additional witnesses were: Wendy M. Cullar, Chief, Bureau for Education for Exceptional Students, Florida Department of Education; Judy Edlund, School Services Coordinator, Special Education Unit, Vermont Department of Education; Winifred Guthrie Anderson, Parent Education Advocacy Training Center, Alexandria, Virginia; S. James Rosenfeld, CRR Publishing Company, Alexandria, Virginia; Judy Smith-Davis, Editor, Counter-Point, Reno, Nevada; and G. Thomas Bellamy, Professor, University of Oregon.

Also testifying were: Miles Kawatachi, Director of Special Education, State of Hawaii; Dr. Dan Anderson, Educational Specialist, Hawaii Department of Special Education; Dr. Jo-Alyce K. Peterson, Educational Specialist, Hawaii Department of Special Education; Winona Rubin, Executive Director, Alu Like, Inc.; Myron Thompson, Trustee, Kamehameha School, Bishop Estate; and Britt Robillard, Social Science Research Institute, University of Hawaii at Manoa. Ivalee Sinclair, Executive Director, HACLD, also provided testimony.

On June 6, 1986, the Senate passed S. 2294, the Education of the Handicapped Amendments of 1986. The bill was referred to the House Committee on Education and Labor for consideration. The

Subcommittee on Select Education held hearings on S. 2294 on July 23, 24, and 29, 1986.

Among the witnesses testifying were: Barbara Hanft, Occupational Therapy Association, representing the Consortium for Citizens with Developmental Disabilities; Honorable Tom Vickers, State Senator, State of Nebraska, representing the National Conference of State Legislatures; Frederick Weintraub, Assistant Executive Director, Council for Exceptional Children; Frank New, Ohio State Director of Special Education, representing the National Association of State Directors of Special Education; Don Sheldon, Deputy Director, American Association of School Administrators; Carol Reedstrom, Parent, Huron, South Dakota, representing the Association for Retarded Citizens; Gary Timmons, National Education Association; and Alicia Smith, Staff Director, Committee on Human Resources, National Governors Association.

Also testifying were: Jacqueline Vaughn, President, Chicago Federation of Teachers; Verna Hart, Professor, University of Pittsburgh, representing United Cerebral Palsy; James Oglesby, Secretary/Treasurer, National School Boards Association, Member, Columbia, Missouri School Board, representing the National School Boards Association; Martha H. Ziegler, Executive Director, Federation of Children with Special Needs, representing the National Network of Parent Centers; Joseph Helmick, Chairman, Department of Speech Communication, Texas Christian University, representing the American Speech-Language-Hearing Association; John Watts, Parent, Wall Township, New Jersey, representing the National Society for Children and Adults with Autism; Ann Bardwell, Kentucky State Board of Education, representing the National Association of State Boards of Education; and Carmen Taylor, National Indian School Boards Association.

Additional witnesses were: Honorable George Miller, Member of Congress from the State of California, Chairman, House Select Committee on Children Youth and Families; Carol Berman, Director of Development, National Center for Clinical Infant Programs; Joan Sylvester, Vermont Association for Retarded Citizens; Michael Casserly, Legislative and Research Associate, The Council of the Great City Schools; Ann Kinkor, Patent, Rancho Palos Verdes, California, representing the Epilepsy Foundation of America; Liz Vincent, President, Division of Early Childhood, representing The Association for the Severely Handicapped and Interact; Samuel J. Meisels, Professor of Education and Research Scientist, Center for Human Growth and Development, University of Michigan; and David Davis representing the Alexander Graham Bell Association for the Deaf.

Also providing testimony were: Sandra S. Parrino, Chairperson, National Council on the Handicapped; Madeline C. Will, Assistant Secretary for Special Education and Rehabilitative Services, U.S. Department of Education; Randall Parker, Ph.D., President, American Rehabilitation Counseling Association and Professor, Rehabilitation Counseling Education, University of Texas at Austin; Dave Brooks, Ph.D., President, American Mental Health Counselors Association and Assistant Professor, Counseling and Guidance, Syracuse University; American Rehabilitation Counseling Association; Millie Waterman, Vice-President for Legislative Activity, the National PTA; Honorable Daniel K. Akaka, member of Congress from the State of Hawaii; Dr. Sylvia Walker, Director, Howard University Center for the Study of Handicapped Children and Youth; Richard Long, Washington Representative, International Reading Association; Don F. Rettberg, Colonel, U.S. Air Force; Scott Thompson, Executive Director, National Association of Secondary School Principals; and Edward P. Keller, Deputy Executive Director, National Association of Elementary School Principals.

On September 16, 1986, Mr. Williams introduced H.R. 5520, a bill (hereinafter in this report referred to as "the bill") to reauthorize the discretionary programs under the Education of the Handicapped Act and for other purposes. The bill was referred to the Committee on Education and Labor.

On September 17, 1986 the Committee on Education and Labor met in open session and considered H.R. 5520. The bill was then ordered reported by the Committee on Education and Labor by a recorded vote of 33-0.

BACKGROUND AND NEED FOR THE LEGISLATION

The Education of the Handicapped Act (EHA) is the principal Federal legislation for providing Federal assistance to State and local educational agencies to meet the special educational and related services needs of handicapped children and youth. Central to the Act is part B, the State-formula grant program (The Education for All Handicapped Children Act, Public Law 94-142), which requires each State receiving assistance to provide a free appropriate public education to all handicapped children in the State, regardless of the nature or severity of their handicapping conditions.

In addition to the State-formula program, EHA authorizes discretionary grant programs aimed at supporting and improving the direct services provided under part B of EHA, including such activities as: research, demonstration, training, technical assistance, dissemination, and model projects.

A complete history of the discretionary program as well as the major changes made by the 98th Congress are contained in House Report No. 98-410, accompanying H.R. 3435, the Education of the Handicapped Act Amendments of 1983. Major accomplishments made under part B and the discretionary programs are set out in the Seventh and Eighth Annual Reports to Congress on the Implementation of the Education of the Handicapped Act.

Based on testimony by witnesses at the seven hearings, discussions with experts from around the country, a review of reports submitted by the Department of Education, a report entitled Toward Independence issued by the National Council on the Handicapped, and a review of the literature, the Committee finds that there is a need to amend the Education of the Handicapped Act to more adequately address the needs of handicapped infants and toddlers (aged birth to two, inclusive) and handicapped pre-schoolers (aged three to five, inclusive).

Because of advances in research methodology, instrumentation, and theory, educators and behavioral scientists have come to view even very young infants as capable of participating in complex interactions with their world. For example, we now believe that newborns have a functioning perceptual system capable of intersensory coordination, that they are capable of making multiple categorizations, that they possess both central and peripheral vision at birth, can coordinate visual and auditory input by age 2½ months, show evidence of recognition memory by 4 months, and are able to recognize relatively abstract two-dimensional stimuli by 5 months.

Infants are also competent and capable of exhibiting complex and voluntary motor activity much earlier than once thought. For example, researchers have found that infants as young as 12 months of age were able to use pointing behavior to call interesting objects to the attention of others, and that over several complex motor behaviors, including touching their ear (7 months), shaking a toy (9½ months), and clapping (12 months). Thus, social competence can develop very early in life.

However, in addition to participating in social relationships, infants are also capable of initiating and maintaining social interactions at a very early age. There is clear evidence to suggest that socialble infants are capable of eliciting more stimulation from care-givers and that this heightened social competence leads to accelerated cognitive development.

Thus, the infant's developing physical, cognitive, and social competencies are very important. Because of our recognition of the early appearance of these and other competencies, infants increasingly are being viewed as active organizers of their experience and not as passive and helpless creatures. Likewise, such recognition has also made it more feasible and tenable to develop early successful intervention approaches for handicapped infants and toddlers.

The Committee therefore concludes that an overwhelming case exists for expanding and improving the provision of early intervention and preschool programs. The Committee's conclusions comport with the Department's findings in its Seventh Annual Report to the Congress:

> Studies of the effectiveness of preschool education for the handicapped have demonstrated beyond doubt the economic and educational benefits of programs for young handicapped children. In addition, the studies have shown that the earlier intervention is started, the greater is the ultimate dollar savings and the higher is the rate of educational attainment by these handicapped children.

More specifically, testimony and research indicate that early intervention and preschool services accomplish the following:

(1) help enhance intelligence in some children;

(2) produce substantial gains in physical development, cognitive development, language and speech development, psychosocial development and self-help skills;

(3) help prevent the development of secondary handicapping conditions;

(4) reduce family stress;

(5) reduce societal dependency and institutionalization;

(6) reduce the need for special class placement in special education programs once the children reach school age; and

(7) save substantial costs to society and our nation's schools.

In addition, the Committee concludes that the discretionary programs continue to serve as an essential support system to the State-formula grant program. Changes are made to improve the current framework.

EXPLANATION OF H.R. 5520

TITLE I—HANDICAPPED INFANTS AND TODDLERS

Section 101 of the bill adds part H to the Education of the Handicapped Act (the Act) under which a new discretionary program is established to provide early intervention services necessary to meet the special needs of handicapped infants and toddlers and their families.

Findings and policy

New section 671 of the Act contains the findings and policy of the new part. Congress finds an urgent and substantial need to: enhance the development of handicapped infants and toddlers and minimize their potential for developmental delay; reduce the educational costs to our society, including our schools; minimize the likelihood of institutionalization; and enhance the capacity of families to meet the special needs of their infants and toddlers with handicaps.

It is therefore the policy of the United States to provide financial assistance to States to: develop and implement a statewide, comprehensive, coordinated, multidisciplinary, interagency program of early intervention services for all handicapped infants and toddlers and their families; facilitate coordination of payments for early intervention services from various public and private sources; and enhance its capacity to provide quality early intervention services and expand and improve existing services.

Definition of the term "handicapped infants and toddlers"

New section 672 of the Act defines the term "handicapped infants and toddlers" to mean individuals from birth to age two, inclusive, who need early intervention services because they are (1) experiencing developmental delays, as measured by appropriate diagnostic instruments and procedures in one or more of the following areas: cognitive development, physical development, language and speech development, psycho-social development, or self-help skills, or (2) have a diagnosed physical or mental condition which has a high probability of resulting in developmental delay.

The phrase "birth to age two, inclusive" means infants and toddlers from birth until they reach their third birthday. However, this provision shall not be construed to prohibit an agency from continuing to provide services where a child turns three during the summer and services provided by a local educational agency do not commence until September. Where the local provider of early intervention services and the local educational agency are not the same, it is essential that the agencies coordinate their efforts to transition the child to the special education system operated by the local educational agency.

The phase "have a diagnosed physical or mental condition which has a high probability of resulting in developmental delay" is included to enable States to serve categories of infants and toddlers who will need early intervention services even though many will not exhibit developmental delays at the time of diagnosis.

Examples, include: Downs Syndrome and other chromosomal abnormalities which are likely to result in mental retardation; severe microcephaly; Cornelia de Lange Syndrome; sensory impairments; Rubenstein-Taybi Syndrome; Fetal Alcohol Syndrome; Epilespy; and Inborn Errors of Metabolism.

The term may also include, at a State's discretion, individuals from birth to age two, inclusive, who are "at risk" of having substantial developmental delays if early intervention services are not provided. The phrase "at risk" includes infants and toddlers who are not otherwise covered by the general definition described above. See Tjossem, Theodore. Early Intervention: Issues and Approaches. In Tjossem, T., ed. Intervention Strategies for High Risk and Handicapped Children. Baltimore, University Park Press, 1976. p. 5.

The term "developmental delay" has the meaning given such term by a State. In providing this discretion to the States, the Committee wishes to emphasize that it is not our intent to permit a State to totally ignore or establish standards of measurement or other definitional provisions that preclude addressing any one of the five developmental areas included in the definition. Thus, it is expected that the definition will encompass levels of functioning in all five developmental areas.

Definition of the term "early intervention services"

The term "early intervention services" means developmental services which satisfy seven criteria. First, such services are provided under public supervision. This means that ultimate responsibility for the provision of services remains with the lead agency designated or established by the Governor. The fact that ultimate responsibility rests with the lead agency should not be construed in any way to limit the agency's authority to make arrangements with local service providers (public and private) who in turn may contract or make arrangements with others for the provision of services.

Second, early intervention services must be provided at no cost except where Federal or State law provides for a system of payments by families, including a schedule of sliding fees.

Third, early intervention services are designed to meet a handicapped infant's or toddler's developmental needs in the following areas: physical development, cognitive development, language and speech development, psycho-social development, and self-help skills. Fourth, such services must meet the standards of the State, including the requirements of the new part.

Fifth, early intervention services include, but are not limited to: family training, counseling, and home visits; special instruction; speech pathology and audiology; occupational therapy; physical therapy; psychological services; case management services; medical services only for diagnostic or evaluation purposes; early identification, screening, and assessment services; and health services necessary to enable the infant or toddler to benefit from the other early intervention services.

The early intervention services included in the bill are not meant to be exhaustive; rather they are intended to be illustrative of the types of services a handicapped infant or toddler may receive under this program.

The phrase "case management services" includes services provided to families of handicapped infants and toddlers to assist them in gaining access to early intervention services and other services identified in the infant or toddlers' individualized family service plan; to ensure timely delivery of available services; and to coordinate the provision of early intervention services with other services (such as medical services for other than diagnostic and evaluation purposes) which the infant or toddler needs or is being provided.

The Committee intends that case management be an active, ongoing process of continuously seeking the appropriate services or situations to benefit the development of each infant or toddler being served for the duration of each child's eligibility.

Specific case management services include: coordinating the performance of evaluations; assisting families in identifying available services providers; participating in the development of the IFSP, coordinating and monitoring the delivery of available services; informing families of the availability of advocacy services available to the family; coordinating with the medical and health providers; and facilitating the development of a transition plan to preschool services, where appropriate.

The term "health services necessary to benefit from other early intervention services" does not include such services as: surgical or purely medical procedures such as cleft palate surgery; surgery for club foot; management to congential heart ailments; management of cystic fibrosis; and shunting of hydrocephalus.

Sixth, early intervention services are provided by qualified personnel, including, but not limited to, special educators, speech and language pathologists and audiologists, occupational therapists, physical therapists, psychologists, social workers, nurses, and nutritionalists. This list is not meant to be exhaustive. Thus, for example, physicians would be considered qualified personnel with respect to the performance of assessments and diagnoses.

Seventh, early intervention services are provided in conformity with an individualized family service plan, except that because infant development is relatively rapid and therefore undue delay could be potentially harmful, such services may commence before the completion of the initial plan with the parent's consent.

General authority

New section 673 of the Act provides general authority to the Secretary of Education to make grants to States to assist the States develop and implement a comprehensive, coordinated, multidisciplinary program of early intervention services for handicapped infants and toddlers and their families. This program is designed to build upon existing State systems of serving handicapped infants and toddlers and to facilitate the development of systems in States desiring to serve this population.

Continuing authority

New section 674 of the Act specifies the general criteria a State must satisfy in order to be eligible for assistance under the new part H—the State must have established (which term includes the designation of) a State Interagency Coordinated Council.

New section 675 of the Act specifies the criteria governing continuing eligiblity for assistance under the new part H. In order to be eligible for the first or second year of a State's participation under part H, a State must include in its application assurances that funds will be used to assist the State to plan, develop, and implement the statewide system.

It is expected that funds will be used under this part for the first three years to accomplish many of the same objectives expected to have been accomplished under the planning, development and implementation grants authorized under section 623(b) of current law.

In order to be eligible for a grant under part H for the third year of a State's participation, a State must include information and assurances demonstrating that the State has adopted a policy which incorporated all of the components of a statewide system of early intervention services (unless the State has obtained a waiver from the State).

The statewide system must be in effect (except as provided in the next sentence) before the beginning of the fourth year. With respect to the development and implementation of an individualized family service plan (required by section 676(b)(4), in the fourth year the State need only: conduct multidisciplinary assessments, develop individualized family service plans, and make available case management services. Other early intervention services need not be made available to all handicapped infants and toddlers until the beginning of the fifth year of a State's participation in the program. See below for a discussion of the components of the statewide system of early intervention services).

It is expected that the State application will include all of the policies constituting the statewide system. This requirement may be satisfied by including a copy of the applicable statute or regulations.

The Secretary may permit a State to continue to receive assistance for the third year even if it has not adopted the policy establishing the statewide system if the State demonstrates that is has made a good faith effort to adopt such a policy, the reasons for its failure and the steps it will take to ensure its adoption, and an assurance that the policy will go into effect before the beginning of the fourth year. For example, the Secretary may grant a waiver if the policy is awaiting action by the State legislature but the legislative session does not commence until after the date the State's application must be submitted.

In order to be eligible for assistance for the fifth and succeeding years of a State's participation under part H, the State must have in effect the statewide system of early intervention services required by section 676, including, among other things, a policy that appropriate early intervention services will be available to all handicapped infants and toddlers in the State.

Components of a statewide system

New section 676 of the Act specifies the minimum components of a statewide system consisting of a comprehensive, coordinated, multidisciplinary, interagency program providing early intervention services for all handicapped infants and toddlers and their families.

First, the statewide system must include the definition of the term "developmentally delayed" to be used by the State in carrying out the program.

Second, the system must include timetables for ensuring that all appropriate early intervention services will be made available to all handicapped infants and toddlers in the State before the beginning of the fifth year of a State's participation under part H.

Third, for each handicapped infant and toddler in the State, the statewide system must include the performance of a timely comprehensive multidisciplinary evaluation of the functioning of each handicapped infant and toddler and the needs of the families to appropriately assist in the development of the handicapped infant and toddler.

Fourth, for each handicapped infant and toddler in the State, the statewide system must include the development of an individualized family service plan, including the provision of case management services.

Fifth, the system must include a comprehensive child find system that includes a system for making referrals to service providers. The system of referrals must include timeliness and provide for the participation by primary referral sources. "Primary referral sources" include hospitals, physicians, other health care providers, public health facilities, and day care facilities.

The Committee recognizes the existing and long established child find procedures established under part B may be an appropriate vehicle for satisfying this requirement. However, such procedures must be modified or expanded (if necessary) to include a system of referrals and the system must include timeliness and provide for the participation by primary referral sources.

Sixth, the system must include a public awareness program focusing on early identification of handicapped infants and toddlers.

Seventh, the system must include a central directory which includes early intervention services, resources, and exports available in the State and research and demonstration projects being conducted in the State.

Eighth, the system must include a comprehensive system of personnel development. The system must include training of public and private service providers, primary referral sources, and persons who will provide services after receiving such training. Services and training may be provided directly by the State or through a grant, contract or other arrangement with other entities.

The Committee believes that this component is one of the most important in the system. Without qualified personnel, services will not affect the successes envisioned by the program. To the extent that a State's current system of personnel development established under part B already includes the training of the personnel described above to provide early intervention services, consistent with this part, such a State would be considered in compliance with this section.

Ninth, the system must include a single line of authority in a lead agency designated or established by the Governor to carry out: the general administration, supervision, and monitoring of programs and activities; the identification and coordination of all available resources within the State from Federal, State, local, and private sources and the assignment of financial responsibility to the appropriate State agency; the resolution of State interagency disputes and procedures for ensuring the provision of services pending the resolution of such disputes; and the entering into formal State interagency agreements that define the financial responsibility of each State agency for paying for early intervention services (consistent with State law) and include, among other things, procedures for resolving disputes.

Without this critical requirement, there is an abdication of responsibility for the provision of early intervention services for handicapped infants and toddlers. Although the bill recognizes the importance of interagency responsibility for providing or paying for appropriate services, it is essential that ultimate responsibility remain in a lead agency so that buckpassing among State agencies does not occur to the detriment of the handicapped infant or toddler.

In determining whether an entity satisfies the requirements described above, the Secretary must consider the functions performed by the entity and not its title. For example, in Texas the State legislature has established the Interagency Council on Early Childhood Intervention which is akin to the lead agency under this new section of the Act.

In State's serving significant numbers of Indian handicapped infants and toddlers, the lead agency must consult with and obtain input from Tribal education offices/committees, BIA schools, tribal schools, head start programs and other providers of service at the local and State level to ensure that the needs of these infants and toddlers are considered and accounted for in the statewide system.

Tenth, the system must include a policy pertaining to the contracting or making of other arrangements with local service providers, i.e., those entities with which the State makes arrangements for, among other things, the infant or toddler's assessment; the development of an individualized family service plan; and the provision of services. The policy must include the contents of the application used and the conditions of the contract or other arrangements.

It is the Committee's intent that the policy developed by the State must be consistent with the provisions of this part. Thus, for example, it is the Committee's intent that an individualized family service plan developed by a local service provider will be consistent with the provisions of section 677 of part H.

Eleventh, the system must include a procedure for securing timely reimbursement of funds used under part H in accordance with section 681(a).

Twelfth, the system must include policies and procedures relating to the establishment and maintenance of standards to ensure that personnel necessary to carry out the purposes of part H are appropriately and adequately prepared and trained including: (1) the establishment and maintenance of standards which are consistent with any State approved or recognized certification, licensing, registration, or other comparable requirements which apply to the area in which they are providing early intervention services, and (2) to the extent such standards are not based on the highest requirements in the State applicable to a specific profession or discipline, the steps the State is taking to require the retraining or hiring of personnel that meet appropriate professional requirements in the State.

Finally, the system must include the establishment of a system for compiling data regarding the early intervention programs (which may be based in part on a sampling of data).

Individualized family service plan

New section 677 of the Act describes the individualized family service plan. Under subsection (a) each handicapped infant or toddler and the infant's or toddler's family must receive a multidisciplinary assessment of unique needs and the identification of services appropriate to meet such needs and a written individualized family service plan developed by a mulitdisciplinary team, which includes the parents or guardian. The Committee wishes to make it clear that the parents or guardian may decide to invite someone to the meeting to assist them present their positions.

Under subsection (b), the individualized family service plan must be evaluated at least once a year and the family must be provided a review of the plan at least at 6-month intervals (or more often where appropriate based on infant, toddler, and family needs) to determine the degree to which progress toward achieving the outcomes are being made and whether modifications or revisions of the outcomes or services are necessary.

Under subsection (c), the individualized family service plan must be developed within a reasonable time after the assessment. However, with the parent's consent, early intervention services may commence prior to the completion of the assessment. The authority to allow services to commence prior to the completion of the assessment should be the exception and not the rule. Further, this authority should not be used as a means for systematically circumventing the obligation to complete the assessment and develop the plan within a reasonable time.

Under subsection (d), the individualized family service plan must be in writing and contain the following statements and information. First, a statement of the infant's or toddler's present levels of physical development, cognitive development, language and speech development, psycho-social development, and self-help skills based on professionally acceptable objective criteria. Second, a statement of the family's strengths and needs relating to enhancing the development of the family's handicapped infant or toddler.

Third, a statement of the major outcomes expected to be achieved for the infant or toddler and the family; the criteria, procedures, and timeliness used to determine the degree to which progress toward achieving the outcomes is being made and whether modifications or revisions of the outcomes or services are necessary.

Fourth, a statement of specific early intervention services necessary to meet the unique needs of the infant or toddler and the family, including the frequency and intensity and the method of delivering services. Fifth, the projected dates for initiation of services and the anticipated duration of such services.

Sixth, the name of the case manager from the profession most immediately relevant to the infant's or toddler's or family's needs who will be responsible for the implementation of the plan and coordination with other agencies and persons.

Finally, the steps to be taken supporting the transition of the handicapped infant or toddler to services provided under part B of the Act to the extent special education and related services are considered appropriate. Thus, steps to transition a child are unnecessary if the child, as a result of early intervention services, does not require special education and related services.

The Committee wishes to emphasize that the provision regarding the individualized family service plan does not require that any agency or person be held accountable if an infant or toddler does not achieve the growth projected, i.e., the plan does not constitute a guarantee of results. However, agencies and persons are not relieved of the responsibility of making good faith efforts to assist the infant or toddler in achieving the outcomes or the right to complain if the parent feels that these efforts are not being made.

State applications and assurances

New section 678 of the Act sets forth the policies governing the submission of a State's application and statement of assurances and the approval by the Secretary. With respect to the application, the State must include, among other things, information demonstrating that the State has provided public hearings, adequate notice of such hearings, and an opportunity for comment to the general public before the submission of such application and before the adoption by the State of the policies described in such application, and a summary of the public comments and the State's responses. It is the Committee's intent that public input be obtained prior to the formulation of a State policy; and not simply serve as a rubber stamp for a such policy.

The application must also describe the procedure used to ensure an equitable distribution of resources made available under part H among all geographic areas within the State. The State must also submit a statement of assurances, which may be submitted once and remain on file with the Secretary and be revised only when considered necessary by the Secretary.

No State may receive a grant under this part unless the Secretary has approved the application and statement of assurances of that State. The Secretary may not disapprove such an application or statement of assurances unless the Secretary determines, after notice and opportunity for a hearings, that the application or statement of assurances fails to comply with the requirements of the part.

Uses of funds

New section 679 of the Act specifies that in addition to using funds under part H to plan and develop the statewide system, a

State may use such funds to implement the system, including the provision of direct services that are not otherwise provided from other public or private sources and to expand and improve on services for handicapped infants and toddlers that are otherwise available.

Procedural safeguards

New section 680 sets out the procedural safeguards which must provide, at a minimum, for: the timely resolution of administrative complaints by parents and the right to appeal to State or Federal court; the right to confidentiality of personally identifiable information; the opportunity to examine records; procedures to protect the rights of the handicapped infant and toddlers whenever the parents or guardian of the child are not known, unavailable or the child is a ward of the State, including the assignment of a surrogate; and written prior notice to the parents or guardian under specified circumstances; procedures to ensure that the notice is in the parents or guardian's native language, and procedures to ensure the provision of services pending the resolution of the complaint.

The Committee wishes to emphasize that there are two types of complaints a parent might file under this part. The first type includes complaints concerning the State's compliance with those sections of the law applicable to the parents' or guardian's particular infant or toddler. For example, a parents' complaint might assert a failure to perform an appropriate assessment; a failure to develop an appropriate individualized family service plan; or a failure to make available a particular early intervention service specified in the individualized family service plan, such as special instruction.

It is the Committee's intent that the procedure for resolving this category of complaints include the presentation and examination of all information relevant to the issues and a presentation of relevant viewpoints before an impartial individual with knowledge of the law and the needs of and services available for handicapped infants and toddlers.

It is also the Committee's intent that the procedures developed by the State result in speedy resolution of complaints because an infant's development is rapid and therefore undue delay could be potentially harmful. Thus, it would be acceptable for the impartial individual to attempt to mediate the complaint. However, if such an attempt is unsuccessful, it would be expected that the record be retained and that the decision be in writing to allow a parent, who is so inclined, to appeal to the courts.

The Secretary may approve any system that includes the full set of procedural safeguards contained in part B.

The second type of complaint includes more systemic issues such as the State's failure to develop a statewide system which includes the components set out in new section 676 of the Act. This would include the failure to develop an impartial system for resolving complaints. It is the Committee's intent that the procedure for resolving this category of complaints must be consistent with the system described in the Education Department General Administrative Regulations (34 CFR 76.780 et seq.). Of course, it is also expected that the Department of Education will develop procedures for resolving parental complaints of the systemic type described above.

Payor of last resort

New section 681 of the Act specifies that funds provided under part H may not be used to satisfy a financial commitment for services which would have been paid for from another public or private source but for the enactment of this part. However, the State may use part H funds to pay the provider of such services pending reimbursement by the agency which has ultimate responsibility for the payment whenever considered necessary to prevent the delay in the receipt of the appropriate early intervention services by the handicapped infant or toddler. The State must develop a procedure for securing timely reimbursement as part of the statewide system.

Consistent with the above requirement, new section 681 also specifies that nothing in part H should be construed to permit the State to reduce medical or other assistance available or to alter eligibility (to the detriment of handicapped infants or toddlers) under title V (relating to maternal and child health) or title XIX of the Social Security Act (relating to Medicaid for handicapped infants and toddlers) within the State.

It is the intent of Congress that the enactment of this legislation should not be construed as a license to any agency (including the lead agency and other agencies in the State), to withdraw funding for services that currently are or would be made available to handicapped infants and toddlers but for the existence of this legislation. Rather, the Committee intends to provide the impetus to facilitate interagency agreements with respect to service delivery to handicapped infants and toddlers and their families.

Thus, it is our intent that other funding sources continue; that there be greater coordination among agencies regarding the payment of costs; and that funds made available under part H be used only for direct services for handicapped infants and toddlers that are not otherwise provided from other public or private sources and to expand and improve on services that are not otherwise available.

For example, one major Federal program exists which is aimed at the reduction of serious developmental and health risks. The Early and Periodic Screening, Diagnosis and Treatment program (EPSDT) was established in 1967 "to discover, as early as possible, the ills that handicap our children" and to provide "continued follow up and treatment so that handicaps do not go neglected." Strong and specific program linkages with EPSDT must be made in a State if we are going to accomplish the purposes of this part.

State Interagency Coordinating Council

New section 682 provides for the establishment (which includes the designation) of a State Interagency Coordinating Council, and specifies its composition, rules governing its meetings, its management authority, its functions and responsibilities, rules governing conflict of interest and the use of existing councils.

It is the Committee's expectation that the Council will plan a central role in accomplishing the purposes of this part. The Committee recognizes that State level interagency cooperation has been instrumental in the successes which have been achieved in meeting the needs of handicapped infants and toddlers and that such cooperation is essential. Thus, for example, the Council must provide meaningful advice and assist the lead agency develop and implement the policies constituting the statewide system of coordinated, comprehensive, multidisciplinary programs under which appropriate early intervention services to handicapped infants and toddlers and their families. Further, the persons representing the State agencies should have sufficient authority to represent the agency. The appointment of representatives of primary referral sources should facilitate the effective functioning of the Council.

To the extent that a State has established a Council before September 1, 1986 that is comparable to the Council called for in the Act, such Council shall be considered to be in compliance with the law. Within 4 years, after the date the State accepts funds under section 673, such State must establish a Council that complies in full with this section.

Federal administration

New section 683 of the Act specifies the policies governing Federal administration.

Allocation of funds

New section 684 specifies the policies governing the allocation of funds among the States. Under the bill, the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the number of infants and toddlers in the State bears to the number of infants and toddlers in all States, except that no State may receive less than 0.5 percent.

The Committee fully expects to review the use of census data for making the allocation among States when the Congress reauthorizes this part in five years. Particular consideration will be given to the use of child count procedures comparable to those used under part B.

This section also includes an allocation to the Secretary of the Interior of 1.25 percent of the amount available to all States under part H for that fiscal year for the provision of early intervention services to handicapped infants and toddlers and their families. The Committee expects that interagency agreements will be entered into among appropriate agencies such as Indian Health Service, BIA Social Services, BIA Office of Education and the Department of Education. Too often handicapped Indians are "lost in the bureaucratic shuffle" while a determination is being made as to who is responsible for which services. Special attention is to be given in these interagency agreements to the use of homebound teachers and utilization of a strong family based component.

Authorization of appropriations

New section 685 of the Act authorizes to be appropriated to carry out part H $50 million for fiscal year 1987, $75 million for fiscal year 1988, and such sums as may be necessary for each of the three succeeding fiscal years.

Study of services; coordination of actions

Section 101(b) of the bill mandates a joint study to be conducted by the Secretary of Education and the Secretary of Health and Human Services of the Federal funding sources, service gaps, and problems with service delivery for early intervention programs and provides for the coordination of interagency actions. A joint report must be submitted to Congress no later than 18 months after the date of the enactment of this Act describing the findings of the study and the joint actions taken.

It is the Committee's expectation that the Department of Education will take the lead in carrying out this section. By including this study, it is Congress' expectation that the various Federal agencies will develop a uniform policy that ensures maximum availability of funding for early intervention services from existing sources.

TITLE II—HANDICAPPED CHILDREN AGED 3 TO 5, INCLUSIVE

Section 201 of the bill amends section 619 of the Act to repeal the current incentive grant program and create in lieu thereof a new pre-school grant program. The bill authorizes to be appropriated for the pre-school grant program such sums as may be necessary.

Based on data prepared by the Department of Education, the States are currently serving more than 75 percent of the handicapped children aged three to five, inclusive in the country (260,000 out of 330,000). As a result of testimony presented to both Houses of Congress, the Committee fully expects that, with the enhanced incentives for serving three to five year old handicapped children, all States will be serving all eligible children by school year 1990–91 or 1991–92, depending on the level of funds appropriated under the preschool program by the Congress.

The bill establishes maximum per child amounts which a State may receive under the new program; includes conditions which a State must satisfy in order to be eligible for assistance; prescribes the apportionment of funds between the State educational agency and local educational agencies and the procedure for suballocating funds to local educational agencies; identifies acceptable uses of funds under this program; includes an amendment concerning the circumstances under which a State may count handicapped children aged 3–5 for purposes of receiving funds for the basic State grant under section 611 of the Act and other conforming amendments to section 611.

Maximum State allocations

With respect to the maximum levels a State may receive under the new program, the bill sets different levels for each of the fiscal years 1987 through 1989 and fiscal years thereafter. Pursuant to the General Education Provisions Act, part H is forward funded; thus, for example, funds appropriated in fiscal year 1987 are available to grantees in school year 1987–88.

For fiscal year 1987, of the funds appropriated, the Secretary must first allocate to each State $300 per 3–5 year old served in the previous school year in accordance with section 611(a)(3) of the Act.

The purpose of this provision is to reward States that are currently serving this age group.

The Secretary must then allocate to each State an amount equal to the portion of the appropriation available after making the allocations described in the previous paragraph to all States (the excess appropriation) divided by the estimated increase, from the preceding fiscal year, in the number of handicapped children aged three to five, inclusive who will be receiving special education and related services in all States multiplied by the estimated number of such children in such State. The Secretary shall develop regulations that prescribe the procedure States must use for making estimates; and the date by which the estimate must be submitted; and the date on which the actual number of additional children is determined.

Under no circumstances can a State receive more than $3800 per additional child served. If the amount appropriated exceeds the amount of grants which may be made to the States for such fiscal year, the excess amount appropriated must remain available for obligation for two succeeding fiscal years.

If the actual number of additional children served in a fiscal year differs from the State's estimate, the Secretary must adjust (upwards or downwards) a State's allotment for the subsequent fiscal year. In developing policies regarding an upward adjustment, the Secretary shall ensure, to the maximum extent feasible, that the State receives the amount of funds it would have been entitled to if its estimate had been accurate. This calculation should be made before the Secretary computes the calculation for the current year. Funds from the current year shall be used to make this adjustment.

Set out below is an example demonstrating how the policy described in the previous paragraphs would work. Assume that in State A 2000 handicapped pre-schoolers were served during the 1986-87 school year and that the State planned on serving an additional 500 children during the 1987-88 school year (a total of 2,500 preschoolers). Assume further that during the 1986-87 school year all the States served 260,000 children and that all States expected to serve 26,842 additional children (one-third of the estimated unserved population) during the 1987-88 school year. Finally, assume that Congress appropriates $180 million.

Consistent with these assumptions, State A would be allocated under section 619 (in addition to its per child allocation under the part B State-formula grant) a total of $2,500,000. First, the State would receive $300 for each child served in the previous year ($300×2000=$600,000). Because the total allotment for all States would be $78,000,000 ($300×260,000=$78,000,000), there is $102,000,000 remaining for allocation to States based on the number of additional children to be served during the 1987-88 school year.

Since the estimate of the number of additional children to be served in all the States is 26,842, this means each additional child will generate $3,800, the maximum permitted under law. Thus, in State A in addition to the $600,000, the State is entitled to $1,900,000 ($3,800×500=$19,000,000). Thus, the total of $2,500,000 ($600,000+$1,900,000=$2,500,000).

In the next fiscal year, 2,500 preschoolers is the base for State A and any preschoolers above the base would be considered additional children eligible for an amount not to exceed $3,800 per child.

The policy described above also applies for the fiscal years 1988 and 1989; except that the $300 ceiling is raised to $400 in fiscal year 1988 and $500 in fiscal year 1989. For fiscal years 1990 and thereafter there is no distinction between children served in the previous and current school years; instead the maximum is set at $1000 per child served in the preceding school year in accordance with section 611(a)(3) of the Act. The bill also includes a ratable reduction provision which applies whenever funds appropriated are insufficient to pay States in full the maximum amounts which they may receive.

Eligibility criteria

With respect to the conditions a State must satisfy in order to be eligible for assistance under section 619, the bill provides that for fiscal years 1987–89, a State must meet the eligibility requirements and have a State plan approved under part B of the Act (section 612 and 613) and provide special education and related services to some but not necessarily all handicapped children aged 3–5.

For fiscal year 1990 and thereafter, in order for a State to be eligible for the pre-school grant, a State must meet the eligibility requirements under part B of the Act and amend its State plan approved under part B to include policies and procedures that assure the availability under the State law and practice of such State of a free appropriate public education for all handicapped children aged 3–5.

The requirement to serve all 3–5 year old handicapped children during the fiscal year 1990 is postponed one school year (until fiscal year 1991) if either of the following events occur: (1) the aggregate appropriations for the fiscal years 1987, 1988, and 1989 was less than $656,000,000 or (2) the appropriation for fiscal year 1990 was less than $306,000,000.

The $656,000,000 figure constitutes the total amount of funds which would be required to be appropriated over a three year period to serve all preschoolers (based on projections made by the Department of Education) at the maximum prescribed amounts. The $306,000,000 constitutes an appropriation based on an assumption of 340,000 children served $900 per child.

Allocation of funds; authorized uses

With respect to the apportionment of funds between the State and local educational agencies and intermediate educational units and authorized uses of funds, the fill provides that for fiscal year 1987 a State must distribute at least 70 percent to local educational agencies and intermediate educational units, not more than 25 percent may be reserved by the State educational agency for planning and development of a comprehensive delivery system (consistent with the purposes for which the State received a grant under section 623(b) of the Act during school years prior to 1987–88) and for direct and support services for handicapped children aged 3–5, and not more than 5 percent may be reserved by the State educational agency for administrative expenses.

For fiscal year 1988 and thereafter the proportion is at least 75 percent to local educational agencies and intermediate educational units, not more than 20 percent for planning and development and direct and support services, and not more than 5 percent for administrative expenses.

With respect to the services provided by the local educational agency, such services must be provided in conformity with all rules applicable to children aged 6–17, including the development of an individualized education program. In this regard, the Committee is aware of the especially critical role the family plays in the development of the very young child.

Role of the family

The Committee received overwhelming testimony affirming the family as the primary learning environment for children under six years of age and pointing out the critical need for parents and professionals to function in a collaborative fashion. Therefore, the Committee expects that whenever appropriate and to the extent desired by the parents, the pre-schooler's IEP will include instruction for parents so that they can be active and knowledgeable in assisting their child's progress.

Alternative delivery systems

The Committee also wishes to observe that there are currently a variety of effective special education models for serving handicapped children aged 3–5 being utilized across the country. Based on the unique needs of the particular child, these models range from part-day home-based to part or full-day center-based.

Sanctions

As explained above, the Committee fully expects that, with the enhanced incentives for serving three to five year old handicapped children, all States should be serving all eligible children by fiscal year 1991 at the latest.

The bill includes three provisions prescribing the consequences of the failure of a State to serve all handicapped children aged 3–5 by the prescribed timeline. First, as explained above, if a State fails to serve all handicapped children aged three to five, inclusive by school year 1990–91 or 1991–92, depending on the level of appropriations for FY1987–90, the State will not be eligible for assistance under the preschool grant until it serves those children.

Second, the bill amends the formula for allocating part B funds by specifying that any State that fails to provide a free apropriate public education for all handicapped children aged 3–5 by the applicable fiscal year may not count its 3–5 year old handicapped children for purposes of receiving that portion of its part B allotment.

Third, section 202 of the bill amends part A of the Act by adding a new section 609 which provides that effective during the school years in which a State must provide a free appropriate public education to all handicapped children aged 3–5 in order to be eligible for a grant under section 619 (pre-school grant), no State or local educational agency or intermediate educational unit or other public institution or agency may receive a grant under parts C through G which relates exclusively to programs, projects, and activities pertaining to children aged three to five, inclusive unless the State is eligible for a pre-school grant under section 619.

For example, a public agency in a State that does not serve all handicapped children aged three to five, inclusive, after the date the requirement goes into effect would be ineligible for a grant to operate a demonstration project serving preschoolers under section 623, Handicapped Children Early Education Program. However, a public agency would be entitled to funds for personnel preparation if the nature of the grant is to train special educators serving any age groups, including 3–5.

In making the above changes regarding the provision of services to handicapped children aged 3–5, it is the Committee's understanding that States which currently mandate the provision of services to this age group must continue to do so.

Supplement, not supplant; interagency coordination

Section 203 of the bill clarifies the relationship among public agencies for providing or paying for services set out in a child's individualized education program. This issue was the subject of a recent report entitled "Special Education—Financing Health and Educational Services for Handicapped Children", prepared by the United States General Acconting Office (GAO/HRD-86-62BR, July, 1986).

The GAO Report concludes that Congress, in enacting P.L. 94-142, established a single line of authority and placed this authority with educational agencies. This means that if there are disputes among agencies regarding responsibility for paying for a particular service, then pending the resolution, the educational agency must ensure that the handicapped child receives the services set out in his or her IEP. The effect of this policy is to prevent buckpassing among agencies from occurring.

Although P.L. 94-142 designated the State educational agency is as responsible for ensuring that handicapped children receive a free appropriate public education, GAO found that it did not make the educational agency solely financially responsible for all services provided. Thus, with respect to which agency must ultimately pay for the appropriate services, Congress intended that the services be paid for from various sources, including funds appropriated under P.L. 94-142, State and local educational funds, as well as funds from other Federal, State, and local sources such as Medicaid for which the handicapped children qualify.

In support of this conclusion, GAO (p. 29) quotes the Senate Report accompanying P.L. 94-142:

> . . . the state educational agency is responsible for assuring that funds for the education of handicapped children under other Federal laws will be utilized. . . .
> . . . there are local and state funds and other Federal funds available to assist in this process. Any funds available from the Federal Government are clearly in addition to funds provided under this Act and are available to states to assist them in carrying out their responsibilities

under state laws, state constitutions, and the U.S. Constitution, and should be so utilized.

In sum, Congress established a legal framework under which one agency is ultimately accountable (the educational agency) and multiple agencies are expected to pay for appropriate services (educational agencies as well as health, welfare, and other social service agencies).

The Committee bill includes four amendments to part B that reaffirm and operationalize congressional intent in this regard. The amendments: (1) will re-establish an important part of the Federal, State, and local base on which EHA was to have been built; (2) avoid the tendency to distort the IEP process because of Medicaid funding considerations; (3) provide an efficient system for supporting the provision of special education and related services to handicapped children; and (4) provide a Federal model for interagency coordination.

Section 612(6) of the Act is amended by clarifying the policy set forth therein placing ultimate responsibility on the State educational agency for ensuring compliance with the requirements of part B of the Act. The bill explains that this policy should not be construed to limit the responsiblity of agencies other than educational agencies in a State from providing or paying for some or all of the costs of a free appropriate public education to be provided handicapped children in the state.

Section 203 of the bill also amends the State plan provision in part B in three ways. First, the "supplement, not supplant" assurance (section 613(a)(9)(B)) is amended. As amended, the provision states that the State must provide satisfactory assurance that Federal funds made available under part B will be used to supplement and increase the level of Federal, State and local funds (including funds that are not under the direct control of State or local educational agencies) expended for special education and related sercices provided to handicapped children under part B and in no case to supplant such Federal, State and local funds. The amendment retains the waiver provision in current law. The assurance is submitted by the State, through the State educational agency.

It is the Committee's intent that under the "supplement, not supplant" provision, as amended, funds provided under part B will not be used to satisfy a financial commitment for services which would have been paid for by other Federal, State, and local agencies (including health agencies) pursuant to policy or practice but for the enactment of part B and the listing of the service in a handicapped child's individualized educational program. The intent of this provisions is to ensure that services currently being provided or paid for by other agencies for handicapped children will be continued.

Second, section 613(a) of the Act is amended by adding a requirement that the State set forth policies and procedures for developing and implementing interagency agreements between the State educational agency and other appropriate State and local agencies to define the financial responsibility of each agency for providing handicapped children with a free appropriate public education and resolve interagency disputes, including procedures under which local educational agencies may initiate proceedings under the agreement in order to secure reimbursement from other agencies or otherwise implement the provisions of the agreement.

It is the Committee's intent that in the formulation of an interagency agreement the State educational agency obtain meaningful input from local educational agencies or their representatives.

Third, section 613 of the Act is amended by adding a new subsection (e) which provides that part B shall not be construed to permit a State to reduce medical or other assistance available or to alter eligibility under title V or title XIX of the Social Security Act with respect to the provision of a free appropriate public education for handicapped children within the State.

This amendment is not intended in any way to suggest that medical assistance provided under Medicaid pays for traditional educational services; rather, this provision states that the requirements in part B should not be construed to permit the elimination from Medicaid coverage of those health-related or other services covered by title V or title XIX of the Social Security Act which would have been provided but for the fact that they are required to be provided by a child's IEP.

Department of Defense schools

Pursuant to section 1409(c) of the Defense Dependent's Education Act of 1978, the provisions of part B of the Education of the Handicapped Act apply with respect to all schools operated by the Department of Defense under the Act. Consistent with this provision of law, it is the Committee's intent that Department of Defense schools will serve all handicapped children aged three to five, inclusive before the school year 1990–91 or the school year 1991–92, depending on whether Congress appropriates the level of funds set out in the new section 619(b)(2).

TITLE III—DISCRETIONARY PROGRAMS

Regional resource and Federal centers

Section 301 of the bill amends section 621 of the Act, which establishes regional resource centers, in the following ways. First, the bill permits the regional resource centers to provide assistance with respect to early intervention services for handicapped infants and toddlers and their families. Second, the bill specifies that services provided by these centers must be consistent with the priority needs identified by the States served by a center and with the Department's findings contained in monitoring reports.

Third, the functions of the centers are expanded to include the provision of information to and training for agencies, institutions, and organizations regarding techniques and approraches for submitting applications for grants, contracts, and cooperative agreements under parts C through G of the Act. At the hearings, witnesses from small rural States expressed concern that although they could implement a grant as well as applicants that won grant competitions, they were not provided the opportunity to demonstrate this capacity because they did not know what the reviewers expected in applications.

The purpose of this authority is to provide applicants with requisite grant writing skills; it is not the intent of this provision to provide assistance to applicants with respect to the completion of a particular application for a particular grant competition.

The Committee also wishes to clarify its intent with respect to the function specified in current law that centers may assist in the improvement of information and dissemination to and training activities for professionals and parents of handicapped infants, toddlers, children, and youth. The Committee intends that the term "professionals" includes persons who work with or on behalf of parents, and parent training centers.

It is the intent of the Committee that the Secretary continue funding the current number of regional resource centers and that the geographic area they are designed to serve remain the same.

Fourth, the Secretary is authorized to establish one coordinationg technical assistance center focusing on national priorities established by the Secretary to assist the centers in the delivery of technical assistance, consistent with such national priorities. One of the issues this center may address is the training of hearing examiners.

Finally, the bill specifies that of the funds made available to carry out the centers, not less than the amount made available in the previous year must first be made available for the regional resource centers before using funds for the national center and not more than $500,000 may be used for the national center.

Services for deaf-blind children and youth

Section 302 of the bill amends section 622 of the Act in two ways. First, the bill authorizes the Secretary to make grants or enter into contracts or cooperative agreements for the development and operation of extended school year demonstration programs for severely handicapped children and youth, including deaf-blind children and youth.

Second, the bill authorizes the Secretary to make grants to, or enter into contracts or cooperative agreements with, the entities set out in section 624 of the Act for the purposes set out in section 624(a).

The Committee wishes to clarify certain aspects of this program. First, the intent of the provision pertaining to technical assistance is designed to guarantee quality services for children who are deaf-blind. The technical assistance must be evaluated in terms of the impact of children and teachers and the quality of the services provided.

The Committee recognizes deaf-blind children and youth as those who have concomitant hearing and visual impairments, the combination of which causes such severe communication and other developmental and educational problems that they cannot be accommodated in special education programs solely for deaf or blind children.

By retaining the section relating to deaf-blind children, the Committee recognizes the continued need for the resources offered by the State and multistate projects serving deaf-blind children and youth. These resources should be made available to certain severely, multiply handicapped children. While it remains the Committee's intention that the centers give priority consideration to underserved deaf-blind populations, the Committee recognizes that not all eligible deaf-blind children and youth are classified as such. It is the intention of the Committee that grantees under this section serve eligible deaf-blind children and youth including those who are counted under other categories of exceptionality, but meet the eligibility criteria under the definition of deaf-blind.

Early Education for Handicapped Children.

Section 303 of the bill amends section 623 of the Act, which establishes the early education for handicapped children program, in several ways. These changes are designed to enhance the capacity of public agencies in the States to meet their additional responsibilities to serve preschoolers under title II of the bill and infants and toddlers under title I of the bill.

First, the bill clarifies that funds may be used to support demonstration and outreach programs as well as experimental programs. The bill also adds to the current purposes of such projects the following: to offer training about exemplary models and practices to State and local personnel and to support the adaption of exemplary models and practices in States and local communities.

It is the Committee's intent that the Secretary will place greater priority on the funding of outreach and demonstration projects than for experimental projects for 3–5 years olds in light of the timelines included in title II of this bill for serving all handicapped children in this age group.

Under current law, there is a 90/10 match. Under the bill, the need to come up with 10% may be waived in the case of an arrangement entered into with governing bodies of Indian tribes located on Federal or State reservations and with consortia of such bodies. It is the intent of the Committee that the 10% requirement be waived when it can be demonstrated that the Tribe has insufficient resources.

It is also the Committee's intent that the Secretary should fund projects that are specifically designed to demonstrate cost-effective methods for providing appropriate special education and related services to preschoolers and early intervention services to handicapped infants and toddlers.

Second, the bill directs the Secretary to arrange for the establishment of a technical assistance development system (TADS) to assist entities operating experimental, demonstration, and outreach programs and to assist State agencies to expand and improve services provided to handicapped children. This system is currently in existence under the authority of section 624 of the Act. Among the entities with whom the Secretary may make arrangements are State agencies.

Third, the bill directs the Secretary to arrange for the establishment of early childhood research institutes to carry on sustained research to generate and disseminate new information on early intervention for young handicapped children and their families. These institutes are currently funded under the authority of section 624 of the Act.

Fourth, the bill provides that at least one year prior to the termination of grant, contract, or cooperative agreement for a system or research institute, the Secretary must publish in the Federal Register a notice of intent to recompete the award contingent on the appropriation of sufficient funds by Congress.

Fifth, the Secretary is authorized to make grants and enter into contracts or cooperative agreements for research to identify and meet the full range of special needs of handicapped children and for training of personnel for programs specifically designed for handicapped children.

Finally, the bill repeals the subsection in the Act authorizing State planning, development, and implementation grants for preschool and early intervention. It is the Committee's intent that these functions will continue to be performed with respect to preschoolers under the authority of section 619, as amended and with respect to infants and toddlers under the authority of new part H.

Testimony presented to the Congress referred to the results of studies conducted by the Native American Research Training Center of Northern Arizona University regarding the high incidence of handicapping conditions and children suffering from Fetal Alcohol Syndrome and Fetal Alcohol Effect. Congress also heard testimony from the Native Hawaiian Educational Assessment Project which found that Native Hawaiian students suffer from an across-the-board lack of parity with their peers nationally.

The Committee believes that the needs of handicapped American Indian children, Alaskan Native children, and Native Hawaiian children must be addressed specifically to enable these children to begin to overcome this lack of parity. Therefore the Committee directs the Secretary to make a grant to meet the needs of American Indians and a separate grant under this section to the State of Hawaii for the purpose of addressing the needs of native Hawaiian children with handicaps.

Research, innovation, training, and dissemination activities in connection with centers and services for the handicapped

Section 304 of the bill amends section 624 of the Act by focusing funding on programs for the severely handicapped. It is the Committee's intent that the term "severely handicapped" include severely handicapped native Americans, such as Indians, native Hawaiian and other native Pacific basin children and youth.

Postsecondary education programs

Section 305 of the bill amends section 625 of the Act, postsecondary education programs, in two ways. First, the bill adds a requirement that recipients must coordinate their efforts with and disseminate information about their activities to the clearinghouse on postsecondary programs.

Second, the bill requires that at least one year prior to the termination of a grant or contract with any of the four regional centers of the deaf, the Secretary must publish in the Federal Register a notice of intent to recompete the award, contingent on the appropriation of sufficient funds by Congress. The Committee directs the Secretary to hold any recompetitions for the four regional centers for the deaf as early in the last year of an award as possible to ensure maximum notice and continuity.

Secondary education and transitional services for handicapped youth

Section 306 of the bill amends section 626, secondary education and transitional services for handicapped youth, in several ways. First, the bill clarifies the policy that programs can serve not only handicapped youth currently in school but may also serve handicapped youth who recently left school.

Second, the bill clarifies the concept of "transition" to connote services that are provided to a handicapped child throughout his or her years in school, not simply during the last two or three years before he or she graduates out of the special education system. Thus, the purposes of the section are expanded to include stimulating the improvement of vocational and life skills of handicapped students to enable them to be better prepared for transition to adult life and services and developing special education curriculum and instructional techniques that will improve handicapped students' acquisition of skills necessary for transition to adult life and services. The bill also specifies "conducting studies of handicapped youth drop-outs" as a purpose of this section.

Third, the bill clarifies the criteria used to approve applications for assistance under this section. Fourth, the Secretary is authorized to make grants for demonstration projects and technical assistance in this area.

Finally, the bill adds a tenth category to the list of authorized projects—specifically designed physical education and therapeutic recreation programs to increase the potential of handicapped youths for community participation. The Committee wishes to emphasize the need to fund specifically designed physical education and therapeutic recreation programs to increase the potential of handicapped youths for community participation. Research studies have indicated that appropriate physical education services enhance the handicapped child's self-confidence, provide an avenue for self-expression and an opportunity to excel.

These are in addition to the direct benefits derived from improved health, strength, flexibility, body tone and body orientation. Reports and testimony presented to the Congress indicate that many schools are not including physical education services in student's individualized education programs. The Committee recognizes that physical education services are an important component of special education, and should be considered as such by those responsible for the development of IEPs for handicapped children.

Authorization of appropriations

Section 307 of the bill amends section 628 of the Act to set authorization levels for sections 621, 622, 623, 624, 625, and 626.

AUTHORIZATION LEVELS FOR FISCAL YEARS 1987–1989, PART C PROGRAMS—SECTIONS 621–626

[In millions]

Program area	FY87	FY88	FY89
Regional Resources and Federal Centers (621)	$6.7	$7.1	$7.5
Services for Deaf-Blind Children and Youth (622)	15.9	16.8	17.8
Early Childhood Education (623)	24.47	25.87	27.41

AUTHORIZATION LEVELS FOR FISCAL YEARS 1987-1989, PART C PROGRAMS—SECTIONS 621-626—Continued

[In millions]

Program area	FY87	FY88	FY89
Severely Handicapped (624)	5.3	5.6	5.9
Postsecondary Education Programs (625)	5.9	6.2	6.6
Secondary Education and Transitional Services (626)	7.3	7.7	8.1

Grants for personnel training

The Committee is greatly concerned that shortages of qualified personnel in the provision of special education and related services to handicapped children are reaching crisis proportions. The data reported in testimony before the Subcommittee indicates that approximately one-fourth of the personnel in special education do not now meet State certification standards, in a number of school districts vacancies are going unfilled, class size and case loads are increasing, the number of colleges and universities offering training programs is declining and almost all States report that they are unable to fill these personnel needs from training programs within their borders. Five and ten year projections suggest an even worsening situation.

While we recognize that the Federal government can not solve this crisis alone, for it will also take major initiatives on the part of institutions of higher education, State and local educational agencies and professional associations, we believe that the long-standing Federal role in this area must be strengthened.

Section 308 of the bill amends section 631 of the Act, grants for personnel training, in the following ways. First, the bill clarifies the purpose of training to include training personnel in preschool and early intervention services. This authority is intended to address specific training issues within the disciplines listed in this bill pertaining to the needs of handicapped infants, toddlers, and children. Therefore, it is intended that this authority will support the preparation of individuals for a specific purpose within the larger disciplines; namely the achievement of the necessary knowledge and skills to work effectively on behalf of handicapped children from birth to age five, inclusive.

Second, the bill specifies that in making grants, the Secretary must base the determination on information relating to the present and projected need for the personnel to be trained based on identified State, regional, and national shortages, the capacity of the institution or agency to train qualified personnel, and other information considered appropriate by the Secretary.

The Committee recognizes that there are a variety of sources of information on the need for the personnel proposed to be trained and that the information needed will vary depending on the types of personnel to be trained. For example, an institution of higher education that prepares teachers of learning disabled children might best demonstrate the need for such personnel based on local or State information. Whereas a training program for teachers of the blind might see their graduates serving a region of the country and provide information showing such need on a regional basis. We also recognize that certain personnel shortages, particularly in leadership positions, might best be addressed on a national basis and information submitted should reflect such needs. The Committee also urges an increased emphasis on projection of future personnel needs to enhance data on current needs.

We recognize that it takes time to develop a training program and more time to actually prepare the personnel. It is essential that the personnel preparation system supported under this section have the capacity to meet the future personnel needs of the field. The Committee has instructed the Secretary to determine the capacity of the institution of higher education or agency to train qualified personnel. Within this context, qualified personnel are individuals who upon graduating or completing training will meet certification or licensure requirements of the States in which they are being prepared to practice.

The Committee recognizes that institutions of higher education and agencies prepare personnel and emphasizes that the grants awarded under this section are for the purposes of helping them to build the capacity to train such personnel or financially assist them to do so. For this reason we believe that it is essential that the Secretary require information on the capacity of the prospective grantee to prepare qualified personnel. In this regard the Committee requires that any institution or agency that prepares qualified personnel under this section will meet State and professionally recognized standards for the preparation of such personnel. Further, the Secretary should obtain information from prospective grantees on their performance in preparing qualified personnel.

Third, the bill includes the application of new technology as an example of special projects designed to develop new approaches for training. By placing this authority in part D, the Committee wishes to emphasize the application of new technology to training. Also, added to the list of special projects is the training of teachers to work in community and school settings with handicapped secondary school students.

The Committee was provided testimony regarding the training of personnel working with children with specific learning disabilities i.e., children who have a disorder in one or more of the basic psychological processes involved in understanding or in using language, spoken or written, which disorder may manifest itself in imperfect calculations. The Committee encourages institutions providing training of personnel who work with these children to address the disorder and the imperfect abilities of these children.

With respect to the training of personnel for working with Indian children, the benefits associated with employing educators and personnel of the same cultural background is documented. The Committee encourages the Office of Special Education Programs to work with the Bureau of Indian Affairs to assure the maximum number of Indian personnel working with American Indian and Alaskan Native children and their families. The "minority" Personnel Preparation Program should receive special focus in order to allow for the development and expansion of training projects.

Third, with respect to parent training centers under subsection (c) of the Act, the bill provides that parents (current law) and persons who work with parents (instead of volunteers, which is in current law) are the beneficiaries of the training.

The bill also provides that such grants must be designed to meet the unique training and information needs of parents of handicapped children (current law), particularly (striking the word "including") those who are members of groups that have been traditionally underrepresented, living in the area to be served by the grant. The Committee intends that the term "traditionally underrepresented" includes, but is not limited to, minorities, the disadvantaged, persons with limited English proficiency, Indians, and Native Hawaiians.

Further, the Committee directs the Secretary to make a grant under this section to nonprofit organization serving the needs of native Americans. The Secretary is also directed to make a separate grant to a nonprofit agency in the State of Hawaii for the purpose of training native Hawaiian parents. Testimony presented to the Congress indicated that Hawaii has been underrepresented and underserved through the parent training and information programs, and the Committee believes it is appropriate to highlight the needs of this population. The Committee does not intend to imply, however, that American Indians and native Hawaiians are the only underrepresented and underserved groups of parents.

The Committee intends that training of parents and persons who work with parents with respect to understanding the requirements under part B of the Act includes those provisions pertaining to the identification, eligibility, placement, provision of special education and related services, evaluation, in addition to the procedural safeguards.

The bill also amends subsection (c) to specify that the Secretary give priority to grants which involve unserved areas. Finally, the bill clarifies that parent training and information programs may, at the recipient's discretion, include State or local educational personnel where such participation will further an objective of the program assisted by the grant.

Grants to State educational agencies and institutions for traineeships

Section 309 of the bill amends section 632 of the Act, grants for State educational agencies for traineeships, to direct the Secretary to make grants to each State educational agency and provides the Secretary with authority to make such grants to institutions of higher education to assist in establishing and maintaining preservice and inservice programs to prepare personnel to meet the needs of handicapped infants, toddlers, children, and youth, or supervisors of such persons, consistent with the personnel needs identified in the State's comprehensive system of personnel development under section 613.

Grants to improve recruitment of educational personnel and dissemination of information concerning educational opportunities for the handicapped

The Committee heard testimony which emphasized that a strong personnel training program must be balanced with efforts to recruit talented persons into seeking careers in special education and related services and to link qualified personnel to employment opportunities.

Section 310 of the bill amends section 633 of the Act by renaming the heading to "Clearinghouses" and by removing responsibilities from the National Clearinghouse on the Education of the Handicapped related to recruitment of personnel and creating a new clearinghouse developed exclusively to encourage students to seek careers and professionals to seek employment in the various fields relating to the education of handicapped children and youth.

It is the Committee's intent that this clearinghouse be phased in so that in the first year of operation it will not impact significantly on the operation of existing clearinghouses and so that it will be able to take the necessary time to plan its future activities.

Authorization for part D

Section 311 of the bill amends section 635 of the Act to authorize the appropriation of funds to carry out part D (other than section 633) and section 633. The bill as provides that of the funds appropriated, the Secretary must reserve not less than 65 percent for activities described in subparagraphs (A) through (E) of section 641(a)(1).

AUTHORIZATION LEVELS FOR FISCAL YEARS 1987-1989, PART D PROGRAMS—SECTIONS 631-633

[in millions]

Program area	FY87	FY88	FY89
Personnel Preparation	$70.4	$74.5	$79.0
Personnel Preparation (Clearinghouses) (633)	1.2	1.9	2.0

Research and demonstration projects in education of handicapped children

Section 312 of the bill amends section 641 of the Act, research and demonstration projects in education of handicapped children, to make it clear that research may include issues related to early intervention for handicapped infants and toddlers. The bill also adds the following to the list of authorized uses of funds: the development of instruments, including but not limited to, tests, inventories, and scales for measuring progress of handicapped infants, toddlers, children and youth across a number of developmental domains.

The Committee is aware that more early intervention efforts are evaluated using child progress data obtained from developmental assessment scales which do not include handicapped infants or children in the norming sample or which do not have adequate normative data due to reliance on a small sample of children.

The Committee is further aware that behavior does not develop in an invariate sequence, as suggested by most existing developmental scales; instead, different orders or behavior can emerge as a result of several different developmental processes. The child's developmental capabilities, the environment's complexities, and the features of the tasks to be mastered by the child all interact to affect the process of behavioral acquisition or development. Therefore it is likely that different handicapped children may display a different pattern of behavioral development, and this would mitigate against accurate assessment of development among handicapped infants and children using existing scales.

The Committee thinks that developmental assessment scales should be capable of accommodating this uniqueness. Therefore, the Committee directs the Office of Special Education to encourage the use of only a small number of developmental scales by funded projects. In this way data on a sufficiently large group of handicapped infants and children could be made available for a large scale norming effort which could ultimately provide more accurate scales and norms for assessing the developmental progress of young handicapped infants and children as well as provide better data for use in early intervention program evaluation.

In deciding which proposals to fund, the Secretary must consider the special education or early intervention experience of applicants.

The Committee continues to be concerned with improving the coordination between regular education and special education programs meeting the needs of handicapped children, particularly children with specific learning disabilities. Testimony was received to the effect that sometimes the same children were being taught using different and sometimes conflicting methods of instruction. The Committee encourages the Secretary to fund replicable projects which improve coordination to avoid these types of problems.

The Committee is also aware that certain groups of handicapped children are at risk for school dropout, deliquency, low-achievement, vocational and interpersonal problems. Some experts estimate that a significant number of children and youth with serious behavior disorders do not receive appropriate services. The Committee believes that research focused on the special needs of these students can lead to the development of new and improved interventions.

The Committee directs the Secretary to make a grant to, or enter into a cooperative agreement or contract with, an educational agency in the State of Hawaii providing comprehensive elementary and secondary educational services to native Hawaiian handicapped children and youth for the purpose of developing program models and demonstrations for native Hawaiian children and youth. Similarly, the Committee directs the Secretary to make a grant to Native American Indians.

Panels of experts

Section 313 of the bill amends section 643 of the Act, panels of experts in a number of ways. First, the Secretary must convene panels of experts who are competent to evaluate proposals for projects under parts C through G which includes a total funding request exceeding $60,000 and may convene panels for applications for less than such amount.

The $60,000 is a total, rather than a per year figure. Thus, for example if an application is made for $20,000 in year 1; $25,000 in year 2; and $25,000 in year 3, such an application would be subject to peer review because the total exceeds $60,000. The term "request" is intended to be generic; thereby covering solicited, unsolicited, and any other form of proposal.

The panels must be composed of individuals from the field of special education for the handicapped and other relevant disciplines who have significant expertise and experience in the content areas and age levels addressed in the proposals and handicapped individuals and parents of handicapped individuals when appropriate. The panels must include a majority of non-Federal members. For example, grants which serve Indian Tribes should include persons familiar with Indian programs and culture as part of their expertise and experience in a particular content area.

The bill also specifies the circumstances under which panels must be convened; and authority for payment of travel and per diem and consultant fees; and authority to use funds available under parts C through G to pay expenses and fees of non-Federal members of panels.

These amendments are designed to ensure that Federal funds are allocated to superior proposals through the maximum use of convened panels of experts. The composition of convened panels will bring to the review process multiple, diverse perspectives and knowledge of unique needs and innovative approaches which might not otherwise be available. The Committee's clear intent is that all members of a panel, including Federal employees, have the requisite expertise and experience set out in the provision.

Finally, to strengthen the review process and ensure the integrity of the proposal selection process, the Committee encourages the Secretary to engage in an aggressive search for and use of non-Federal panelists from around the Nation.

Authorization for part E

Section 314 of the bill amends section 644 to authorize for appropriation to carry out part E the following amounts:

AUTHORIZATION LEVELS FOR FISCAL YEARS 1987–1989, PART E PROGRAMS—SECTIONS 641–643

[In millions]

Program area	FY87	FY88	FY89
Research, Innovation, Training and Dissemination Activities	$18.0	$19.0	$20.1

Captioned films and educational media for handicapped persons

Section 315 of the bill amends section 652 of the Act to clarify that the purpose of section 652 includes addressing problems of illiteracy among the handicapped. The Committee is concerned with the high rate of illiteracy among deaf individuals. Thus, the Secretary is encouraged to build a literacy component into the captioned films program.

The bill also clarifies that public libraries may be used for the distribution of captioned films and other educational media and equipment. Showing captioned films in public libraries should prove to be a natural link between the social and educational functions of the films. The Secretary is encouraged to support creative public libraries which provide captioned films in concert with reading and literacy programs with funds under this part. The Committee would like to make it clear, however, that the use of libraries as distribution centers for theatrical films is optional and subject to the deaf audience limitation.

The bill also authorizes grants or contracts for educational media and materials for the deaf under this section.

The bill also authorizes the Secretary to make a grant to or enter into a contract or cooperative agreement with the National Theatre of the Deaf. By providing this specific authority to receive grants under this part, the Committee intends to assure continued Federal support for this program of national significance.

The bill also repeals section 653, centers on educational media and materials for the handicapped and includes instead a new part G.

Authorization for part F

Section 316 of the bill amends section 653 of the Act to authorize for appropriation to carry out part F the following amounts:

AUTHORIZATION LEVELS FOR FISCAL YEARS 1987–1989, PART F PROGRAMS—SECTIONS 651–652

[In millions]

Program area	FY87	FY88	FY89
Captioned Films	$15.0	$15.75	$16.54

Technology, educational media, and materials for the handicapped

Section 317 of the bill adds a new part G (replacing section 653 of the Act) which is designated to advance the use of new technology, media, and materials in the education of handicapped students and the provision of early intervention to handicapped infants and toddlers. The new section 661 specifies four purposes of the assistance.

The Committee is greatly impressed with the efforts that are taking place in the application of technology, media, and materials in the education of handicapped children and youth. The technological advances of recent years, including computers, microprocessors, videotapes and discs, information and communication systems, robotics, and augmentative devices, have not only opened opportunities for improving the education of handicapped children never before envisioned, but have also presented problems in assuring their appropriate effective application. The Federal government, under part F of the Act, has played a long and significant role in this area and the Committee commands the Department's efforts in this regard.

H.R. 5520 separates the media, materials, and technology components under part F into a new part G to improve and expand its efforts in this regard and to more adequately reflect the program directions that the Committee believes need to be taken. It is expected that the funds associated with the projects and centers presently supported under part F, that are consistent with the provisions of the new part G and the funds appropriated for such purposes, will be transferred to part G.

In creating a new part G it is the Committee's intent that the projects and centers funded under this part be primarily for the purpose of enhancing research and development advances and efforts being undertaken by the public or private sector, and to provide necessary information linkages to make more efficient and effective, the flow from research and development to application.

Further, the Committee realizes that while the terms technology, educational media and materials are distinct, that these terms do overlap, and that the Secretary is encouraged, where appropriate, to fund projects and centers that integrate these components. While part G specifies the focus of the projects or centers to be funded under this part, the Committee encourages the Secretary to consider some of the following critical issues:

1. how to maximize private and public sector initiatives, particularly efforts to improve communication among developers, producers, and consumers;
2. how to afford handicapped children greater accessibility to existing media, materials, and technology;
3. how to design systems and techniques that can be utilized in schools for the more effective management and maintenance of specialized technology;
4. how to assist educational personnel evaluate the appropriateness of media, materials, and technology for the children they serve before purchasing such; and
5. how to translate research on effective instructional applications of technology, media, and materials into practice.

H.R. 5520 also amends part D of EHA by including under special projects for the preservice and inservice training of special education personnel the authority to train such personnel on the application of new technology. The Secretary is encouraged to coordinate the new authority under part D with the activities of part G, and the Secretary is encouraged to undertake efforts to ensure that the broad range of personnel serving handicapped children, including teachers, related services personnel, administrators, and college and university personnel, develop the skills necessary for the effective utilization of technology.

The new section 654 authorizes to be appropriated to carry out part G the following:

AUTHORIZATION LEVELS FOR FISCAL YEARS 1987–1989, PART G PROGRAMS—SECTION 661

[In millions]

Program area	FY87	FY88	FY89
Technology and Media	$10.0	$10.5	$11.025

Minorities and the discretionary programs

Individual discretionary programs under the Act have periodically supported projects and activities aimed at minority populations. Notable in this regard is the personnel preparation program whose projects include historically Black institutions as well as projects preparing personnel for limited English proficient, bilingual, American Indian, Asian/Pacific Islander and migrant children and youth.

A minority research institute on language proficiency is also being supported. The Committee intends that the programs authorized under parts C through G give necessary attention to improving program and services for minority handicapped children and youth. Where appropriate, other Department programs concerned with the disadvantaged, bilingual, and Indian children and youth should be consulted and involved in the dissemination of the results of such projects.

TITLE IV—MISCELLANEOUS

Removal of architectural barriers

Section 401 of the bill amends section 607 of the Act pertaining to architectural barriers to clarify that the Secretary may also make grants to the Secretary of the Interior for the purpose of removing barriers in schools serving Indians on reservations.

Definitions

Section 402 of the bill amends section 602(a) of the act by clarifying that community colleges receiving funding from the Secretary of the Interior under P.L. 95-471 are considered institutions of higher education for purposes of applying for grants under parts C through G of the Act (the discretionary programs) and that the term "public or private nonprofit agency or organization" includes an Indian tribe. Definitions of the terms "Indian" and "Indian tribe" are also included.

Allocation; State administration

Section 403 of the bill amends the 12 percent cap in section 611(a)(5)(A0(i) of the Act to be consistent with other changes in this bill regarding increased incentives to serve children aged 3 to 5, inclusive. In States that serve all handicapped children aged 3 to 5, inclusive, the determination of whether the 12 percent figure has been exceeded is determined by dividing the number of handicapped children aged 3-17, inclusive by the total number of children in the State aged 3-17.

Where a State serves some but not all handicapped children aged 3-5, inclusive, then the 12 percent is determined by dividing the number of handicapped children aged 5-17, inclusive by the total number of children in the State aged 5-17.

Section 403 of the bill also amends section 611(c)(2)(A)(ii) of the Act to allow for an expansion in the use of funds under the state set-aside for administration to the extent that the cost of monitoring and complaint investigation exceed the cost of monitoring and complaint investigation during fiscal year 1985. This will provide the States with additional resources to ensure that the Act is being appropriately implemented.

Indians

As explained previously, estimates by the Native American Research Training Center of Northern Arizona University indicate that the overall incidence of handicapping conditions among American Indians and Alaskan Natives are one and a half times greater than the rest of the American population. Section 404 of the bill amends section 611(f) of the Act to increase from 1 to 1.25 percent the amount reserved for use by the Secretary of the Interior for the education of handicapped children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior.

In addition to increasing the set-aside, this section directs the BIA to provide services to handicapped Indian children aged three to five, inclusive by or before the 1987–88 school year. Currently, service through the BIA to three- and four-year olds is premised on whether or not the State in which the Bureau school is located provides such services. In the 1985–86 school year, 18 three-year olds and 54 four-year olds were served under the plan. Two hundred and twenty-five five-year olds were served.

In some States, accrediting standards require service to 3–5 year olds. However, the BIA refuse to count these students in its formula for distribution of the funds. If the BIA does not provide the financial resources for service to 3–5 year olds, either other vital education programs or State accreditation of BIA-funded schools is in jeopardy. This clarification of the existing set-aside will assure the necessary funds and assure that the BIA serves 3–5 year olds. The Bureau should publish regulations as soon as possible to implement this provision but not later than February 1, 1987.

The Committee heard testimony that there has not been sufficient input from Indian Tribes, organizations, local Indian school boards, and individuals prior to the submission of the state plan from the Bureau of Indian Affairs. The bill requires that the Secretary of the Interior assure that all handicapped children aged 3 to 5, inclusive, receive a free appropriate public education by or before the 1987–88 school year and that there are public hearings, adequate notice of such hearings, and an opportunity for comment to members of tribes, tribal governing bodies, and designated local school boards before adoption of the policies, programs, and procedures required under section 614(a) of the Act. Consultation should occur during the development of the state plan; well in advance of its submission to the Secretary.

Qualified personnel

Section 405 of the bill amends section 613 of the Act (the State plan) by adding the following. States must include policies and procedures relating to the establishment and maintenance of standards to ensure that personnel necessary to carry out the purposes of part B are appropriately and adequately prepared and trained, including:

> (1) the establishment and maintenance of standards which are consistent with any State approved or recognized certification, licensing, registration, or other comparable requirements which apply to the area in which he or she is providing special education and related services, and
>
> (2) to the extent such standards are not based on the highest requirements in the State applicable to a specific profession or discipline, the steps the State is taking to require the retrain-

ing or hiring or personnel that meet appropriate professional requirements in the State.

The Committee is concerned about the increasing number of personnel providing special education and related services who do not meet the highest State standards established for employment in a specific profession or discipline. For example, many teachers providing special education have been issued temporary teaching certificates and do not meet the full certification standards related to the area in which they provide instruction. The Committee intends that the States will take steps to ensure that all special education teachers are fully qualified and certified for the area in which they are providing instruction.

The Committee also is concerned that some States have established education and training requirements for individuals providing services that do not apply to all members of that profession employed by State and local educational agencies. For example, 19 States currently require a speech-language pathologist to have a master's degree to legally provide services to handicapped infants and youth in a non-public agency. However, in these same States, the State educational agency allows individuals with less than a master's degree to provide services to handicapped infants, children and youth in the schools. The Committee hopes that States will take steps to ensure that professionals providing special education and related services meet appropriate professional requirements in the State to practice a specific profession or discipline.

Evalutaion

Section 406 of the bill amends section 618 of the Act, evaluation, in the following ways. First, the section is amended to reflect the addition of part H relating to early intervention for handicapped infants and toddlers.

Second, the bill modifies the Secretary's obligation with respect to the collection of certain data by age and disability category to provide that for infants and toddlers age 0–2, inclusive, and handicapped children aged 3–5, inclusive, the data collected shall not be by disability category but rather for the age group as a whole. This amendment will enable States to identify and serve young handicapped children and infants and toddlers without having to categorically label these children by disability category because of the existence of the data collection requirements.

Third, the bill provides that in the annual report for fiscal year 1988, which is published in 1989, the Secretary must include special sections addressing the provision of a free appropriate public education in rural areas and to migrants, children and youth of limited English proficiency, Indians, Native Hawaiians, and other native Pacific basin children and youth.

Before October of 1989, the Secretary shall study and then include in the earliest possible annual report submitted to Congress on the implementation of new part H of the Act. The information to be obtained should: describe which States have chosen to participate in the program; how States have defined "developmentally delayed;" what States have done regarding the development of "State policy"; what are the actual or anticipated costs of serving a child; what are the sources of funds for services to handicapped infants and toddlers used by the states; how many children are being served; and what types of services and programs do these children move into when they reach the age of three. The Committee expects the Secretary to utilize the data required under new section 676(b)(14).

The bill also authorizes to be appropriated to carry out this section the following:

AUTHORIZATION LEVELS FOR FISCAL YEARS 1987-1989, SECTION 618

[In millions]

Program area	FY87	FY88	FY89
Evaluation	$3.8	$4.0	$4.2

Repealer

Section 407 of the bill repeals section 604 of the Act establishing the National Advisory Committee on the Education of Handicapped Children and Youth.

Rehabilitation counseling services

The Committee received testimony regarding the limited use by local school districts of rehabilitation counselors to meet the special needs of handicapped children and youth. The definition of the term "related services" in the Act includes counseling services. It is the intent of this Committee that counseling services be construed to include rehabilitation counseling services and that such a service must be provided to a handicapped youth who requires such service in order to benefit from special education services, consistent with the child's individualized education program.

Least restrictive environment and administrative convenience

The committee heard testimony at the hearings regarding the relationship between the least restrictive environment provision in the law and administrative convenience of the agency providing special education and related services. It is the Committee's understanding that a child's special educational needs are the determining factors in designing an appropriate program; not the availability of certain services or administrative convenience.

Fetal Alcohol Syndrome

The Committee is concerned with the relationship between Fetal Alcohol Syndrome (FAS) and Fetal Alcohol Effect (FAE) and handicapped children, particularly Indian children. The Committee encourages research initiatives to determine the relationship between FAS and FAE and handicapping conditions and the difficulty in identifying and appropriately evaluating and serving handicapped children.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

In compliance with clause 2(l)(3)(C) of Rule XI of the Rules of the House of Representatives, the estimate prepared by the Congressional Budget Office pursuant to section 403 of the Congressional Budget Act of 1974, submitted prior to the filing of this report, is set forth as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 19, 1986.

Hon. AUGUSTUS F. HAWKINS,
Chairman, Committee on Education and Labor, U.S. House of Representatives, Washington, DC

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for H.R. 5520, The Education of the Handicapped Amendments of 1986, as ordered reported by the House Committee on Education and Labor on September 17, 1986.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes.

Sincerely,

EDWARD GRAMLICH
(For Rudolph G. Penner, Director).

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 5520.

2. Bill title: The Education of the Handicapped Amendments of 1986.

3. Bill status: As ordered reported from the House Education and Labor Committee on September 17, 1986.

4. Bill purpose: The primary purposes of this bill are: (1) to provide strong incentives to encourage states to educate all handicapped children aged 3 to 5 by 1990, (2) to amend and extend through 1989 the authorization for appropriations of the categorical grant programs under the Education of the Handicapped Act, (3) to repeal the current incentive grant program and replace it with a new pre-school grant program, and (4) to establish a new grant program for handicapped infants and toddlers. This bill is subject to subsequent appropriations action.

5. Estimated cost to the Federal Government:

EDUCATION OF THE HANDICAPPED ACT AUTHORIZATION LEVELS

[By fiscal year, in millions of dollars]

	1987	1988	1989	1990	1991
Pre-School Grants	11.5	39.4	65.2	187.9	263.8
Handicapped Infants and Toddlers	50.0	75.0	79.5	84.4	89.7
Regional Resource Centers	6.7	7.1	7.5		
Deaf-Blind Children	15.9	16.8	17.8		
Early Education	24.5	25.9	27.4		
Severely Handicapped	5.3	5.6	5.9		
Postsecondary Education	5.9	6.2	6.6		
Secondary Education	7.3	7.7	8.1		
Personal Training	70.4	74.5	79.0		
Clearinghouses	1.2	1.9	2.0		
Research	18.0	19.0	20.1		
Instructional Media	15.0	15.8	16.5		
Technology, Education Media, and Materials	10.0	10.5	11.0		
Evaluation	3.8	4.0	4.2		

EDUCATION OF THE HANDICAPPED ACT AUTHORIZATION LEVELS—Continued

[By fiscal year, in millions of dollars]

	1987	1988	1989	1990	1991
Joint Study	.5				
Total Estimated Authorization Level	246.0	309.4	350.8	272.3	353.5
Total Estimated Outlays	12.1	191.5	296.2	337.7	294.5

The costs of this bill fall within Function 500.

Basis of Estimate.—With the exception of the pre-school grant program, the authorization levels for H.R. 5520, The Education of the Handicapped Amendments of 1986, are those specifically stated in the bill. Outlays are estimated assuming full appropriation of authorized levels and using spendout rates computed by the Congressional Budget Office on the basis of recent program data.

The pre-school incentive grants under current law are a discretionary program permanently authorized at such sums as may be necessary. They were funded at $28.7 million in 1986. If fully funded at the present $300 per child limit (based on the number of children ages 3-5 served in the previous school year), the grants would cost the federal government $77.6 million in 1987, increasing to $81.4 million in 1991. H.R. 5520 would amend the grants by increasing the maximum amount per child to $400 in 1988 and $500 in 1989 and by authorizing a maximum grant through 1989 of $3800 per estimated additional child to be served in that year when compared to the number of children served in the previous school year. In 1990 and thereafter, the grants would be based on a maximum of $1000 per child served in the previous school year.

The bill would also require all states to serve all handicapped children ages 3-5 in order to receive any pre-school grant funding in 1990 and beyond. We assume for this estimate that all states will comply with this requirement. This estimated authorization is based on the increase above the current authorization.

PRE-SCHOOL GRANT PROGRAM

[By fiscal year, in millions of dollars]

	1987	1988	1989	1990	1991
New Authorization	89.1	117.9	144.8	268.4	345.2
Current Authorization	77.6	78.5	79.6	80.5	81.4
Change in Authorization	11.5	39.4	65.2	187.9	263.8

6. Estimated cost to State and local government: H.R. 5520 would require all states to expand their educational services to provide disabled children from ages 3 through 5 a free appropriate education in order to remain eligible for federal funds for that age group under P.L. 97-142, the Education of the Handicapped Act. States would have to implement this law by 1990, or 1991 if federal appropriations do not meet certain targets. Currently, states are not required to serve children aged 3 to 5 if such service is inconsistent with state law or practice, or the order of any court. This new re-

quirement could have a significant impact on state and local government budgets, potentially increasing the costs nationally by $575 million in 1990.

Present law mandates that states receiving grant assistance provide a free appropriate education to specifically defined handicapped children aged 6 to 17 with the option of serving all handicapped children aged 3 to 21. Currently, all states participate in the state grant program for children 6 to 17, but as of July 1985, only 21 states, 4 territories, and the District of Columbia served all handicapped children from age 3. Approximately 260,000 3 to 5 year olds were served in 1985. H.R. 5520 would therefore require as many as 29 states and 2 territories to expand services to cover more age groups, more types of disabilities, or both, in order to continue to receive federal grant assistance for that age group.

Our estimate of the cost of providing education to a disabled 3 to 5 year old child is based on a Rand report (Kahalik, Thomas, and Carney, 1981) considered by many to be the most reliable source on the costs of special education. The findings, based on the 1977-78 school year, have been updated for actual and projected inflation, resulting in an estimated cost per child of $7800 in 1990.

The Department of Education estimates that about 70,000 disabled 3-5 year old children are not currently being served. That number will increase to about 74,000 in 1990. H.R. 5520 requires that these additional children be served.

Based on these estimates, the additional cost of providing full services to these children in 1990 will be about $575 million. The additional cost to state and local governments will depend on a state's existing level of service and the amount of funding that would be provided by the federal government. Currently, federal grants cover approximately 7 percent of the cost of education for handicapped children. Other federally funded programs, such as Head Start, may be an additional source of funding for this age group.

H.R. 5520 also established a new program of grants to states for handicapped infants and toddlers. These grants are authorized at $50 million in 1987, $75 million in 1988, and such sums as may be necessary thereafter through 1991. There are no federal fund matching requirements. The other programs authorized in this bill are carried out by grant, contract, or cooperative agreements with state education agencies, institutions of higher education, and public and nonprofit private organizations.

7. Estimate comparison: None.

8. Previous CBO estimate: On May 29, 1986, CBO submitted a cost estimate for S. 2294, the Education of the Hnadicapped Amendments of 1986, as ordered reported by the Senate Labor and Human Resources Committee on May 20, 1986. CBO estimated the total authorization level of that bill to be $277.5 million in 1987, $287.8 million in 1988, and $298.9 million in 1989.

S. 2294 mandated all states to serve all handicapped children by 1990, in order to remain eligible for any state grant funding under P.L. 94-142. That bill also expanded the definition of handicapped to include developmentally delayed children. As a result of the change in the definition, the estimated number of handicapped children to be served by states under the S. 2294 mandate was significantly higher.

In addition, CBO used the Rand study to estimate cost per child for H.R. 5520. Recent information has indicated that this study provides the most reliable estimate. The resulting estimated cost per child is therefore higher for H.R. 5520 than the range of levels used in the estimate of S. 2294.

9. Estimate prepared by: Ken Pott (226-2820).

10. Estimate approved by: C.G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

Committee Estimate

With reference to the statement required by clause 7(a)(1) of Rule XIII of the Rules of the House of Representatives, the Committee agrees with the estimate prepared by the Comgressional Budget Office.

Inflationary Impact Statement

Pursuant to clause 2(l)(4) of Rule XI of the Rules of the House of Representatives, the Committee estimates that the enactment of H.R. 5520 will have no inflationary impact on prices and costs in the operation of the national economy. It is the judgment of the Committee that there is no inflationary impact of this legislation as a component of the Federal budget.

Committee Findings

With reference to the statement required by clause 2(l)(3)(A) of Rule XI of the Rules of the House of Representatives regarding any findings or recommendations pursuant to this Committee's oversight reviews or studies, the Subcommittee on Select Education has conducted seven legislative hearings on this bill.

Oversight Findings and Recommendations of the Committee on Government Operations

In compliance with clause 2(l)(3)(D) of Rule XI of the Rules of the House of Representatives, the Committee states that no findings and recommendations of the Committee on Government Operations were submitted to the Committee with reference to the subject matter specifically addressed by H.R. 5520.

Summary

The Committee on Education and Labor finds that H.R. 5520, as amended appropriately amends and reauthorizes the Education of the Handicapped Act.

Section-by-Section Analysis

TITLE I—HANDICAPPED INFANTS AND TODDLERS

Section 101(a). This section adds a new Part H to the Act under which a new discretionary program is established addressing the special needs of handicapped infants and toddlers and their families.

New section 671 of the Act.—This section contains the findings and policy of the new part.

New section 672 of the Act.—This section defines the term "handicapped infants and toddlers" and the term "early intervention services".

New section 673 of the Act.—This section provides general authority to the Secretary of Education to make grants to each State under part H.

New section 674 of the Act.—This section specifies the general criteria a State must satisfy in order to be eligible for assistance under the new part H—the State must have established a State Early Intervention Council.

New section 675 of the Act.—This section specifies the criteria governing continuing eligibility for assistance under part H.

New section 676 of the Act.—This section specifies the minimum components of a statewide system consisting of a comprehensive, coordinated, multi-disciplinary, interagency program of early intervention services for all handicapped infants and toddlers and their families.

New section 677 of the Act.—This section establishes and describes the individualized family service plan.

New section 678 of the Act.—This section sets forth the policies governing the submission of a State's application and statement of assurances and the approval by the Secretary.

New section 679 of the Act.—This section specifies that in addition to using funds under part H to plan, develop, design, and implement the statewide system, a State may use such funds for direct services for handicapped infants and toddlers that are not otherwise provided from other public or private sources and to expand and improve on services that are otherwise available.

New section 680 of the Act.—This section sets out the procedural safeguards which must provide, at a minimum, for: the timely resolution of administrative complaints by parents and the right to appeal to State or Federal court; the right to confidentiality of personally identifiable information; the opportunity to examine records; procedures to protect the rights of the handicapped infant and toddlers whenever the parents or guardian of the child are not known, are unavailable or the child is a ward of the State, including the assignment of a surrogate; and written prior notice to the parents or guardian under specified circumstances; procedures to ensure that the notice is in the parents or guardian's native language, and procedures pending the resolution of the complaint.

New section 681 of the Act.—This section specifies that funds provided under part H may not be used to satisfy a financial commitment for services which would have been paid for from another public or private source but for the enactment of this part. However, the State may use part H funds to pay the provider of such services pending reimbursement by the agency which has ultimate responsibility for the payment whenever considered necessary to prevent the delay in the receipt of the appropriate early intervention services by the handicapped infant or toddler. The State must develop a procedure for securing timely reimbursement.

Consistent with the above requirement, new section 681 also specifies that nothing in part H should be construed to permit the State to reduce medical or other assistance available or to alter eligibility (to the detriment of handicapped infants or toddlers) under title V (relating to maternal and child health) or title XIX of the Social Security Act (relating to Medicaid for handicapped infants and toddlers) within the State.

New section 682 of the Act.—This section establishes a State Interagency Coordinating Council, and specifies its composition, rules governing its meetings, its management authority, its functions and responsibilities, rules governing conflict of interest and the use of existing councils.

New section 683 of the Act.—This section specifies the policies governing Federal administration.

New section 684 of the Act.—This section specifies the policies governing the allocation of funds among the States on a per capita basis with a minimum small State setaside ensuring that the small States will not receive less than 0.5 percent. This provision also includes an allocation to the Secretary of the Interior for the provision of early intervention services to handicapped infants and toddlers and their families.

New section 685 of the Act.—This section authorizes to be appropriated to carry out part H $50 million for fiscal year 1987, $75 million for fiscal year 1988, and such sums as may be necessary for each of the three succeeding fiscal years.

Section 101(b).—This section mandates a joint study to be conducted by the Secretary of Education and the Secretary of Health and Human Services of the Federal funding sources and services for early intervention programs and provides for the coordination of interagency actions. A joint report must be submitted to Congress no later than 18 months after the date of the enactment of this Act describing the findings of the study and the joint actions taken.

TITLE II—HANDICAPPED CHILDREN AGED 3 TO 5, INCLUSIVE

Section 201.—This section amends section 619 of the Act to repeal the current incentive grant program and create in lieu thereof a new pre-school grant program. The bill authorizes to be appropriated for the pre-school grant program such sums as may be necessary.

The bill also establishes maximum levels which a State may receive under the new program; includes conditions which a State must satisfy in order to be eligible for assistance; prescribes the apportionment of funds between the State educational agency and local educational agencies and the procedure for sub-allocating funds to local educational agencies; identifies acceptable uses of funds under this program; includes an amendment concerning the circumstances under which a State may count handicapped children aged 3–5 for purposes of receiving funds for the basic State grant under section 611 of the Act and other conforming amendments to section 611.

Section 202.—This section amends part A of the Act by adding a new section 619 which provides that effective during the school years in which a State must provide a free appropriate public education to all handicapped children aged 3-5 in order to be eligible for a grant under section 619 (pre-school grant), no State or local educational agency or intermediate educational unit or other public institution or agency may receive a grant under Parts C through G which relate exclusively to programs, projects, and activities pertaining to children aged three to five, inclusive unless the State is eligible for a pre-school grant under section 619.

Section 203.—This section clarifies the relationship among public agencies for providing or paying for services set out in a child's individualized education program.

First, section 612(6) of the Act is amended by clarifying the policy set forth therein placing ultimate responsibility on the State educational agency for ensuring compliance with the requirements of Part B of the Act. The bill explains that this policy should not be construed to limit the responsibility of agencies other than educational agencies in a State from providing or paying for some or all of the costs of a free appropriate public education to be provided handicapped children in the state.

Second, the "supplement, not supplant" provision in the Act (section 613(a)(9)(B)) is amended.

Third, the State must set forth policies and procedures for developing and implementing interagency agreements between the State educational agency and other appropriate State and local agencies.

Fourth, Part B may not be construed to permit a State to reduce medical or other assistance available or to alter eligibility under title V or title XIX of the Social Security Act with respect to the provision of a free appropriate public education for handicapped children within the State.

TITLE III—DISCRETIONARY PROGRAMS

Section 301.—This section permits the regional resource centers to provide assistance with respect to early intervention services for handicapped infants and toddlers and their families; specifies that services provided by these centers must be consistent with the priority needs identified by the States served by a center and with the Department's findings contained in monitoring reports; and expands the functions of the centers to include the provision of information to and training for agencies, institutions, and organizations regarding techniques and approaches for submitting applications for grants, contracts, and cooperative agreements under parts C through G of the Act.

The Secretary is authorized to establish one coordinating technical assistance center focusing on national priorities established by the Secretary to assist the centers in the delivery of technical assistance, consistent with such national priorities.

Of the funds made available to carry out the centers, not less than the amount made available in the previous year must first be made available for the regional centers and nor more than $500,000 for the national center.

Section 302.—This section authorizes the Secretary to, among other things, make grants or enter into contracts or cooperative agreements with the entities set out in section 624 of the Act for the purposes set out in section 624(a).

Section 303.—This section clarifies that funds may be used to support pre-school and early intervention demonstration and outreach programs as well as experimental programs; directs the Secretary to arrange for the establishment of a technical assistance development system (TADS) to assist entities operating experimental, demonstration, and outreach programs and to assist State agencies to expand and improve services provided to handicapped children; directs the Secretary to arrange for the establishment of early childhood research institutes to carry on sustained research to generate and disseminate new information on early intervention for young handicapped children and their families; provides that at least one year prior to the termination of grant, contract, or cooperative agreement for a system or research institute, the Secretary must publish in the Federal Register a notice of intent to recompete the award contingent on the appropriation of sufficient funds by Congress; provides authority to the Secretary to make grants and enter into contracts or cooperative agreements for the purpose of research under section 624(a)(1) and training under section 624(a)(3); and repeals the subsection in the Act authorizing State planning, development, and implementation grants for preschool and early intervention.

Section 304.—This section amends section 624 of the Act by focusing funding on programs for the severely handicapped.

Section 305.—This section adds a requirement (pertaining to postsecondary education programs) that recipients must coordinate their efforts with and disseminate information about their activities to the clearinghouse on postsecondary programs; and requires that at least one year prior to the termination of a grant or contract with any of the four regional centers of the deaf, the Secretary must publish in the Federal Register a notice of intent to recompete the award, contingent on the appropriation of sufficient funds by Congress.

Section 306.—This section clarifies the policy that secondary and transitional services programs can serve not only handicapped youth currently in school but may also serve handicapped youth who recently left school; clarifies the concept of "transition" to connote services that are provided to a handicapped child throughout his years in school, not simply during the last two or three years before he or she graduates out of the special education system; clarifies the criteria used to approve applications for assistance under this section; and adds a tenth category to the list of authorized projects—specifically designed physical education and therapeutic recreation programs to increase the potential of handicapped youths for community participation.

Section 307.—This section sets the authorization levels for sections 621, 622, 623, 624, 625, and 626.

Section 308.—This section clarifies the purpose of training to include training for careers in early intervention; specifies that in making grants, the Secretary must base the determination on information relating to the present and projected need for the personnel to be trained based on identified State, regional, and national shortages, the capacity of the institution or agency to train qualified personnel, and other information considered appropriate by the Secretary; includes the application of new technology as an example of new approaches for training; and ensures that at least 65 percent of the funds appropriated under this section are used for purposes under sections 631(a)(1)(A)-(E) of the Act.

With respect to parent training centers, the bill provides that parents (current law) and persons who work with parents for the benefit of the parents or who train other parents (instead of volunteers, which is in current law) are the beneficiaries of the training; provides that such grants must be designed to meet the unique training and information needs of parents of handicapped children (current law), particularly (striking the word "including") those who are members of groups that have been traditionally underrepresented, living in the area to be served by the grant; and specifies that the Secretary give priority to grants which involve unserved areas; and clarifies that parent training and information programs may, at the recipient's discretion, include State or local educational personnel where such participation will further an objective of the program assisted by the grant.

Section 309.—This section directs the Secretary to make grants to each State educational agency for traineeships and to institutions of higher education to assist in establishing and maintaining preservice and inservice programs to prepare personnel to meet the needs of handicapped infants, toddlers, children, and youth or supervisors of such persons, consistent with the personnel needs identified in the State's comprehensive system of personnel development under section 613.

Section 310.—This section creates a new clearinghouse developed exclusively to encourage students to seek careers and professional to seek employment in the various fields relating to the education of handicapped children and youth.

Section 311.—This section authorizes the appropriation of funds to carry out part D (other than section 633) and section 633.

Section 312.—This section clarifies that research and demonstration projects in education of handicapped children may include issues related to early intervention for handicapped infants and toddlers; and adds the following to the list of authorized uses of funds: the development of instruments, including but not limited to, tests, inventories, and scales for measuring progress of handicapped infants, toddlers, children and youth across a number of developmental domains.

Section 313.—This section directs the Secretary convene panels of experts who are competent to evaluate proposals for projects under parts C through G. The panel must be composed of individuals from the field of special education for the handicapped and other relevant disciplines who have significant expertise and experience in the content areas and age levels addressed in the proposals and handicapped individuals and parents of handicapped individuals when appropriate. The panels must include a majority of non-Federal members.

This section also specifies the circumstances under which panels must be convened; and authority for payment to travel and per diem and consultant fees; and authority to use funds available under parts C through G to pay expenses and fees of non-Federal members of panels.

Section 314.—This section authorizes funds for appropriation to carry out part E.

Section 315.—This section clarifies programs providing instructional media for the handicapped include addressing problems of illiteracy among the handicapped; clarifies that public libraries may be used for the distribution of captioned films and other educational media and equipment; and authorizes grants or contracts for education media and materials for the deaf; authorizes the Secretary to enter into arrangements with the National Theatre of the Deaf; and repeals section 653, centers on educational media and materials for the handicapped and includes instead a new part G.

Section 316.—This section authorizes funds for appropriation to carry out Part F.

Section 317.—This section adds a new part G (replacing section 653 of the Act) which is designed to advance the use of new technology, media, and materials in the education of handicapped students and the provisions of early intervention to handicapped infants and toddlers and authorizes funds to be appropriated to carry out Part G.

TITLE IV—MISCELLANEOUS

Section 401.—This section amends section 607 of the Act pertaining to architectural barriers to clarify that the Secretary may also make grants to the Secretary of the Interior for the purpose of removing barriers in schools serving Indians on reservations.

Section 402.—This section clarifies that community colleges receiving funding from the Secretary of the Interior under P.L. 95-471 are considered institutions of higher education for purposes of applying for grants under parts C through G of the Act (the discretionary programs) and that the term "public or private nonprofit agency or organization" includes an Indian tribe. Definitions of the terms "Indian" and Indian tribe" are also included.

Section 403 of the bill amends the 12 percent cap in section 611(a)(5)(A)(i) of the Act to be in more consistent with other changes in this bill regarding increased incentives to serve children aged 3 to 5, inclusive.

Section 403.—This section expands the use of funds under the State set-aside for administration to the extent that the cost of monitoring and complaint investigation exceed the cost of monitoring and compliant investigation during fiscal year 1985.

Section 404.—This section increase to 1.25 percent the amount reserved for use by the Secretary of the Interior for the education of handicapped children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior; requires that the Secretary of the Interior assure that all handicapped children aged 3 to 5, inclusive, receive a free appropriate public education by or before the 1987-88 school year; and that there are public hearings, adequate notice of such hearings, and an opportunity for comment to members of tribes, tribal governing bodies, and designated local school boards before adoption of the policies, program, and procedures required under section 614(a) of the Act.

Section 405.—Under this section, States must include in their plans policies and procedures relating to the establishment and maintenance of standards to ensure that personnel necessary to carry out the purposes of Part B are appropriately and adequately prepared and trained, including: (1) the establishment and maintenance of standards which are consistent with any State approved or recognized certification, licensing, registration, or other comparable requirements which apply to the area in which he or she is providing special education and related services, and (2) to the extent such standards are not based on the highest requirements in the State applicable to a specific profession or discipline, the steps the State is taking to require the retraining or hiring or personnel that meet appropriate professional requirements in the State.

Section 406.—This section amends section 618 (evaluation) to reflect the addition of part H relating to early intervention for handicapped infants and toddlers; modifies the Secretary's obligation with respect to the collection of certain data by age and disability category to provide that for infants and toddlers aged 0–2, inclusive, and handicapped children aged 3–5, inclusive, the data collected shall not be by disability category but rather for the age group as a whole; and provides that in the annual report for fiscal year 1988, which is published in 1989, the Secretary must include special sections addressing the provision of a free appropriate public education to handicapped children in rural areas and to migrants, children and youth of limited English proficiency, Indians, Hawaiians, and other native pacific basin children and youth. This section also authorizes to be appropriated funds to carry out this section.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omited is enclosed in black brackets, new matter is printed in italic existing law in which no changes is proposed is shown in roman):

EDUCATION OF THE HANDICAPPED ACT

PART A—GENERAL PROVISIONS

* * * * * * *

DEFINITIONS

SEC. 602. (a) As used in this title—

(1) * * *

* * * * * * *

(11) The term "institution of higher education" means an educational institution in any State which—

(A) * * *

* * * * * * *

(D) is a public or other nonprofit institution; [and]

(E) is accredited by a nationally recognized accrediting agency or association listed by the Secretary pursuant to this paragraph or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited: *Provided, however,* That in the case of an institution offering a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge, if the Secretary determines that there is no nationally recognized accrediting agency or association qualified to accredit such institutions, he shall appoint an advisory committee, composed of persons especially qualified to evaluate training provided by such institutions, which shall prescribe the standards of content, scope, and quality which must be met in order to qualify such institutions to participate under this Act and shall determine whether particular institutions meet such standards. For the purposes of this paragraph the Secretary shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of education or training offered[.]*; and*

(F) The term includes community colleges receiving funding from the Secretary of the Interior under Public Law 95-471.

* * * * * * *

(23)(A) The term "public or private nonprofit agency or organization" includes an Indian tribe.

(B) The terms "Indian", "American Indian", and "Indian American" means an individual who is a member of an Indian tribe.

(C) The term "Indian tribe" means any Federal or State Indian tribe, band, rancheria, pueblo, colony, or community, including any Alaskan native village or regional village corporation (as defined in or established under the Alaska Native Claims Settlement Act).

* * * * * * *

NATIONAL ADVISORY COMMITTEE ON THE EDUCATION OF HANDICAPPED CHILDREN AND YOUTH

[SEC. 604. (a) The Secretary shall establish in the Department of Education a National Advisory Committee on the Education of Handicapped Children and Youth, consisting of fifteen members, appointed by the Secretary. Not less than five such members shall be parents of handicapped children and the remainder shall be handicapped persons (including students), persons affiliated with education, training, or research programs for the handicapped, and those having demonstrated a commitment to the education of handicapped children.

[(b) The Advisory Committee shall review the administration and operation of the programs authorized by this Act and other provisions of law administered by the Secretary with respect to handicapped children (including the effect of such programs in improving the educational attainment of such children) and make recommendations for the improvement of such programs. Such recommendations shall take into consideration experience gained under this and other Federal programs for handicapped children and, to the extent appropriate, experience gained under other public and private programs for handicapped children. The Advisory Committee may make such recommendations to the Secretary as the Committee considers appropriate and shall make an annual report of its findings and recommendations to the Secretary not later than June 30 of each year. The Secretary shall transmit each such report, together with comments and recommendations, to the Congress.

[(c) There are authorized to be appropriated for the purposes of this section $200,000 for fiscal year 1984, and for each of the two succeeding fiscal years.**]**

* * * * * * *

GRANTS FOR THE REMOVAL OF ARCHITECTURAL BARRIERS

SEC. 607. (a) The Secretary is authorized to make grants and to enter into cooperative agreements *with the Secretary of the Interior and* with State educational agencies to assist such agencies in making grants to local educational agencies or intermediate educational units to pay part or all of the cost of altering existing buildings and equipment in accordance with standards promulgated under the Act approved August 12, 1968 (Public Law 90–480), relating to architectural barriers.

* * * * * * *

ELIGIBILITY FOR FINANCIAL ASSISTANCE

SEC. 609. Effective for fiscal years for which the Secretary may make grants under section 619(b)(1), no State or local educational agency or intermediate educational unit or other public institution or agency may receive a grant under parts C through G which relate exclusively to programs, projects, and activities pertaining to children aged three to five, inclusive, unless the State is eligible to receive a grant under section 619(b)(1).

PART B—ASSISTANCE FOR EDUCATION OF ALL HANDICAPPED CHILDREN

SETTLEMENTS AND ALLOCATIONS

SEC. 611. (a)(1) Except as provided in paragraph (3) and in section 619, the maximum amount of the grant to which a State is entitled under this part for any fiscal year shall be equal to—

[(A) the number of handicapped children aged three to twenty-one, inclusive, in such State who are receiving special education and related services;**]**

(A) the number of handicapped children aged 3–5, inclusive, in a State who are receiving special education and related serv-

ices as determined under paragraph (3) if the State is eligible for a grant under section 619 and the number of handicapped children aged 6–21, inclusive, in a State who are receiving special education and related services as so determined;

* * * * * * *

[(5)(A) In determining the allotment of each State under paragraph (1), the Secretary may not count—

[(i) handicapped children in such State under paragraph (1)(A) to the extent the number of all children is greater than 12 per centum of the number of all children aged five to seventeen, inclusive, in such State; and

[(ii) handicapped children who are counted under section 121 of the Elementary and Secondary Education Act of 1965.]

(5)(A) In determining the allotment of each State under paragraph (1), the Secretary may not count—

(i) handicapped children aged three to seventeen, inclusive, in such State under paragraph (1)(A) to the extent the number of such children is greater than 12 percent of the number of all children aged three to seventeen, inclusive, in such State and the State serves all handicapped children aged three to five, inclusive, in the State pursuant to State law or practice or the order of any court,

(ii) handicapped children aged five to seventeen, inclusive, in such State under paragraph (1)(A) to the extent the number of such children is greater than 12 percent of the number of all children aged five to seventeen, inclusive, in such State and the State does not serve all handicapped children aged three to five, inclusive, in the State pursuant to State law or practice on the order of any court; and

(iii) handicapped children who are counted under section 121 of the Elementary and Secondary Education Act of 1965.

* * * * * * *

(c)(1) * * *

(2)(A) Subject to the provisions of subparagraph (B), of the funds which any State may use under paragraph (1)(A)—

(i) * * *

[(ii) the remainder shall be used by such State to provide support services and direct services, in accordance with the priorities established under section 612(3).]

(ii) the part remaining after use in accordance with clause (i) shall be used by the State (I) to provide support services and direct services in accordance with the priorities established under section 612(3), and (II) for the administrative costs of monitoring and complaint investigation but only to the extent that such costs exceed the costs of administration incurred during fiscal year 1985.

* * * * * * *

[(f)(1) The Secretary is authorized to make payments to the Secretary of the Interior according to the need for such assistance for the education of handicapped children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior. The amount of such payment for any fiscal year shall not exceed 1 per centum of the aggregate amounts available to all States under this part for that fiscal year.

[(2) The Secretary of the Interior may receive an allotment under this subsection only after submitting to the Secretary an application which meets the applicable requirements of section 614(a) and which is approved by the Secretary. The provisions of section 616 shall apply to any such application.]

(f)(1) The Secretary shall make payments to the Secretary of the Interior according to the need for assistance for the education of handicapped children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior. The amount of such payment for any fiscal year shall be 1.25 percent of the aggregate amounts available to all States under this section for that fiscal year.

(2) The Secretary of the Interior may receive an allotment under paragraph (1) only after submitting to the Secretary an application which—

(A) meets the applicable requirements of sections 612, 613, and 614(a),

(B) includes satisfactory assurance that all handicapped children aged 3 to 5, inclusive receive a free appropriate public education by or before the 1987–1988 school year,

(C) includes an assurance that there are public hearings, adequate notice of such hearings, and an opportunity for comment afforded to members of tribes, tribal governing bodies, and designated local school boards before adoption of the policies, programs, and procedures required under sections 612, 613, and 614(a), and

(D) is approved by the Secretary.

Section 616 shall apply to any such application.

(g)(1) If the sums appropriated *under subsection (h)* for any fiscal year for making payments to States under [this part] *subsection (a)* are not sufficient to pay in full the total amounts which all States are entitled to receive under [this part] *subsection (a)* for such fiscal year, the maximum amounts which all States are entitled to receive under [this part] *subsection (a)* for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

(2) In the case of any fiscal year in which the maximum amounts for which States are eligible have been reduced under the first sentence of paragraph (1), and in which additional funds have not been made available to pay in full the total of such maximum amounts under the last sentence of such paragraph, the State educational agency shall fix dates before which each local educational agency or intermediate educational unit shall report to the State educational agency on the amount of funds available to the local educational agency or intermediate educational unit, under the provisions of subsection (d), which it estimates that it will expend in accordance with the provisions of [this part.] *this section.* The amounts so available to any local educational agency or intermediate educational unit, or any amount which would be available to any other local educational agency or intermediate educational

unit if it were to submit a program meeting the requirements of this part, which the State educational agency determines will not be used for the period of its availability, shall be available for allocation to those local educational agencies or intermediate educational units, in the manner provided by this section, which the State educational agency determines will need and be able to use additional funds to carry out approved programs.

(h) For grants under subsection (a) there are authorized to be appropriated such sums as may be necessary.

ELIGIBILITY

SEC. 612. In order to qualify for assistance under this part in any fiscal year, a State shall demonstrate to the Secretary that the following conditions are met:

(1) * * *

* * * * * * *

(6) The State educational agency shall be responsible for assuring that the requirements of this part are carried out and that all educational programs for handicapped children with the State, including all such programs administered by any other State or local agency, will be under the general supervision of the persons responsible for educational programs for handicapped children in the State educational agency and shall meet educational standards of the States educational agency. *This paragraph shall not be construed to limit the responsibility of agencies other than educational agencies in a State from providing or paying for some or all of the costs of a free appropriate public education to be provided handicapped children in the State.*

* * * * * * *

STATE PLANS

SEC. 613. (a) Any State meeting the eligibility requirements set forth in section 612 and desiring to participate in the program under this part shall submit to the Secretary, through its State educational agency, a State plan at such time, in such manner, and containing or accompanied by such information, as he deems necessary. Each such plan shall—

(1) * * *

* * * * * * *

[(9) provide satisfactory assurance that Federal funds made available under this part (A) will not be commingled with State funds, and (B) will be so used as to supplement and increase the level of State and local funds expended for the education of handicapped children and in no case to supplant such State and local funds, except that, where the State provides clear and convincing evidence that all handicapped children have available to them a free appropriate public education, the Secretary may waive in part the requirement of this clause if he concurs with the evidence provided by the State;]

(9) provide satisfactory assurance that Federal funds made available under this part (A) will not be commingled with State

funds, and (B) will be so used as to supplement and increase the level of Federal, State, and local funds (including funds that are not under the direct control of State or local educational agencies) expended for special education and related services provided to handicapped children under this part and in no case to supplant such Federal, State, and local funds, except that, where the State provides clear and convincing evidence that all handicapped children have available to them a free appropriate public education, the Secretary may waive in part the requirement of this clause if he concurs with the evidence provided by the State;

* * * * * * *

(11) provide for procedures for evaluation at least annually of the effectiveness of programs in meeting the educational needs of handicapped children (including evaluation of individualized education programs), in accordance with such criteria that the Secretary shall prescribe pursuant to section 617; [and]

(12) provide that the State has an advisory panel, appointed by the Governor or any other official authorized under State law to make such appointments, composed of individuals involved in or concerned with the education of handicapped children, including handicapped individuals, teachers, parents or guardians of handicapped children, State and local education officials, and administrators of programs for handicapped children, which (A) advises the State educational agency of unmet needs within the State in the education of handicapped children, (B) comments publicly on any rules or regulations proposed for issuance by the State regarding the education of handicapped children and the procedures for distribution of funds under this part, and (C) assists the State in developing and reporting such data and evaluations as may assist the Secretary in the performance of his responsibilities under section 618[.] *;*

(13) set forth policies and procedures for developing and implementing interagency agreements between the State educational agency and other appropriate State and local agencies to (A) define the financial responsibility of each agency for providing handicapped children and youth with free appropriate public education, and (B) resolve interagency disputes, including procedures under which local educational agencies may initiate proceedings under the agreement in order to secure reimbursement from other agencies or otherwise implement the provisions of the agreement; and

(14) policies and procedures relating to the establishment and maintenance of standards to ensure that personnel necessary to carry out the purposes of this part are appropriately and adequately prepared and trained, including—

(A) the establishment and maintenance of standards which are consistent with any State approved or recognized certification, licensing, registration, or other comparable requirements which apply to the area in which he or she is providing special education or related services, and

(B) to the extent such standards are not based on the highest requirements in the State applicable to a specific profession or discipline, the steps the State is taking to require the retraining or hiring of personnel that meet appropriate professional requirements in the State.

* * * * * * *

(e) This Act shall not be construed to permit a State to reduce medical and other assistance available or to alter eligibility under titles V and XIX of the Social Security Act with respect to the provision of a free appropriate public education for handicapped children within the State.

* * * * * * *

[EVALUATION

[SEC. 618. (a) The Secretary shall directly or by grant, contract, or cooperative agreement, collect data and conduct studies, investigations, and evaluations—

[(1) to assess progress in the implementation of this Act, the impact, and the effectiveness of State and local efforts to provide free appropriate public education to all handicapped children and youth; and

[(2) to provide Congress with information relevant to policymaking and provide Federal, State, and local educational agencies with information relevant to program management, administration, and effectiveness with respect to such education.

[(b) In carrying out the responsibilities under this section, the Secretary, on at least an annual basis, shall obtain data concerning programs and projects assisted under this Act, and under other Federal laws relating to the education of handicapped children and youth, and such additional information, from State and local educational agenices and other appropriate sources, as is necessary for the implementation of this Act including—

[(1) the number of handicapped children and youth in each State receiving a free appropriate public education (special education and related services) by disability category and by age group (3–5, 6–11, 12–17, and 18–21);

[(2) The number of handicapped children and youth in each State who are participating in regular educational programs, by disability category (consistent with the requirements of section 612(5)(B) and section 614(a)(1)(C)(iv)), and the number of handicapped children and youth in separate classes, separate schools or facilities, or public or private residential facilities, or who have been otherwise removed from the regular education environment.

[(3) the number of handicapped children and youth exiting the educational system each year through program completion or otherwise, by disability category and age, and anticipated services for the next year.

[(4) the amount of Federal, State, and local funds expended in each State specifically for special education and related services (which may be based upon the sampling of data from State agencies including State and local educational agencies);

[(5) the number and type of personnel that are employed in the provision of special education and related services to handicapped children and youth by disability category served, and the estimated number and type of additional personnel by disability category needed to adequately carry out the policy established by this Act; and

[(6) a description of the special education and related services needed to fully implement the Act throughout each State, including estimates of the number of handicapped children and youth within each disability by age group (3-5, 6-11, 12-17, and 18-21) in need of improved services and the type of program and services in need of improvement.

[(c) The Secretary shall, by grant, contract, or cooperative agreement, provide for evaluation studies to determine the impact of this Act. Each such evaluation shall include recommendations for improvement of the programs under this Act. The Secretary shall, not later than July 1 of each year, submit to the appropriate committees of each House of the Congress and publish in the Federal Register proposed evaluation priorities for review and comment.

[(d)(1) The Secretary is authorized to enter into cooperative agreements with State educational agencies to carry out studies to assess the impact and effectiveness of programs assisted under the Act.

[(2) Such agreements shall—

[(A) provide for the payment of not to exceed 60 per centum of the total cost of studies conducted by a participating State educational agency to assess the impact and effectiveness of programs assisted under the Act; and

[(B) be developed in consultation with the State Advisory Panel established under this Act, the local educational agencies, and others involved in or concerned with the education of handicapped children and youth.

[(3) The Secretary shall provide technical assistance to participating State educational agencies in the implementation of the study design, analysis, and reporting procedures.

[(4) In addition, the Secretary shall disseminate information from such studies to State educational agencies, and as appropriate, others involved in, or concerned with the education of handicapped children and youth.

[(e)(1) At least one study shall be a longitudinal study of a sample of handicapped students, encompassing the full range of handicapping conditions, examining their educational progress while in special education and their occupational, educational, and independent living status after graduating from secondary school or otherwise leaving special education.

[(2) At least one study shall focus on obtaining and compiling current information available through State educational agencies and local educational agencies and other service providers, regarding State and local expenditures for educational services for handicapped students (including special education and related services), and gather information needed in order to calculate a range of per pupil expenditures by handicapping condition.

[(f)(1) Not later than one hundred and twenty days after the close of each fiscal year, the Secretary shall publish and disseminate an annual report on the progress being made toward the provision of a free appropriate public education to all handicapped children and youth. The annual report is to be transmitted to the appropriate committees of each House of Congress and the National Advisory Committee on the Education of Handicapped Children and Youth, and published and disseminated in sufficient quantities to the education community at large and to other interested parties.

[(2) The Secretary shall include in each annual report—

[(A) an index and summary of each evaluation activity and results of studies conducted under subsection (c);

[(B) a compilation and analysis of data gathered under subsection (b);

[(C) a description of findings and determinations resulting from monitoring reviews of State implementation of part B of this Act;

[(D) an analysis and evaluation of the participation of handicapped children and youth in vocational education programs and services;

[(E) an analysis and evaluation of the effectiveness of procedures undertaken by each State educational agency, local educational agency, and intermediate educational unit to ensure that handicapped children and youth receive special education and related services in the least restrictive environment commensurate with their needs and to improve programs of instruction for handicapped children and youth in day or residential facilities; and

[(F) any recommendations for change in the provisions of this Act or any other Federal law providing support for the education of handicapped children and youth.

[(3) In the annual report for fiscal year 1985 (published in 1986) and for every third year thereafter, the Secretary shall include in the annual report—

[(A) an index of all current projects funded under parts C through F of this Act; and

[(B) data reported under sections 621, 622, 623, 627, 634, 641, and 653.

[(g) There are authorized to be appropriated $3,100,000 for fiscal year 1984, $3,270,000 for fiscal year 1985, and $3,440,000 for fiscal year 1986 to carry out the provisions of this section.]

EVALUATION

SEC. 618. (a) The Secretary shall directly or by grant, contract, or cooperative agreement, collect data and conduct studies, investigations, and evaluations—

(1) to assess progress in the implementation of this Act, the impact, and the effectiveness of State and local efforts and efforts by the Secretary of Interior to provide free appropriate public education to all handicapped children and youth and early intervention services to handicapped infants and toddlers, and

(2) to provide—

(A) Congress with information relevant to policymaking, and

(B) Federal, State, and local agencies and the Secretary of Interior with information relevant to program management, administration, and effectiveness with respect to such education and early intervention services.

(b) In carrying out subsection (a), the Secretary, on at least an annual basis, shall obtain data concerning programs and projects assisted under this Act and under other Federal laws relating to handicapped infants, toddlers, children, and youth, and such additional information, from State and local educational agencies, the Secretary of Interior, and other appropriate sources, as is necessary for the implementation of this Act including.

(1) the number of handicapped infants, toddlers, children, and youth in each State receiving a free appropriate public education or early intervention services (A) in age groups 0–2 and 3–5, and (B) in age groups 6–11, 12–17, and 18–21 by disability category,

(2) the number of handicapped children and youth in each State who are participating in regular educational programs (consistent with the requirements of sections 612(5)(B) an 614(a)(1)(C)(iv)) by disability category, and the number of handicapped children and youth in separate classes, separate schools or facilities, or public or private residential facilities, or who have been otherwise removed from the regular education environment,

(3) the number of handicapped children and youth exiting the educational system each year through program completion or otherwise (A) in age group 3–5, and (B) in age groups 6–11, 12–17, and 18–21 by disability category and anticipated services for the next year,

(4) the amount of Federal, State, and local funds expended in each State specifically for special education and related services and for early intervention services (which may be based upon a sampling of data from State agencies including State and local educational agencies),

(5) the number and type of personnel that are employed in the provision of special education and related services to handicapped children and youth and early intervention services to handicapped infants and toddlers by disability category served, and the estimated number and type of additional personnel by disability category needed to adequately carry out the policy established by this Act, and

(6) a description of the special education and related services and early intervention services needed to fully implement this Act throughout each State, including estimates of the number of handicapped infants and toddlers in the 0–2 age group and estimates of the number of handicapped childern and youth (A) in age group 3–5 and (B) in age groups 6–11, 12–17, and 18–21 and by disability category.

(c) The Secretary shall, by grant, contract, or cooperative agreement, provide for evaluation studies to determine the impact of this Act. Each such evaluation shall include recommendations for improvement of the programs under this Act. The Secretary shall, not

later than July 1 of each year, submit to the appropriate committees of each House of the Congress and publish in the Federal Register proposed evaluation priorities for review and comment.

(d)(1) The Secretary may enter into cooperative agreements with State educational agencies and other State agencies to carry out studies to assess the impact and effectiveness of programs assisted under this Act.

(2) An agreement under paragraph (1) shall—

(A) provide for the payment of not to exceed 60 percent of the total cost of studies conducted by a participating State agency to assess the impact and effectiveness of programs assisted under this Act, and

(B) be developed in consultation with the State Advisory Panel established under this Act, the local educational agencies, and others involved in or concerned with the education of handicapped children and youth and the provision of early intervention services to handicapped infants and toddlers.

(3) The Secretary shall provide technical assistance to participating State agencies in the implementation of the study design, analysis, and reporting procedures.

(4) In addition, the Secretary shall disseminate information from such studies to State agencies, regional resources centers, and clearinghouses established by this Act, and, as appropriate, to others involved in, or concerned with, the education of handicapped children and youth and the provision of early intervention services to handicapped infants and toddlers.

(e)(1) At least one study shall be a longitudinal study of a sample of handicapped students, encompassing the full range of handicapping conditions, examining their educational progress while in special education and their occupational, educational, and independent living status after graduating from secondary school or otherwise leaving special education.

(2) At least one study shall focus on obtaining and compiling current information available, through State educational agencies and local educational agencies and other service providers, regarding State and local expenditures for educational services for handicapped students (including special education and related services) and shall gather information needed in order to calculate a range of per pupil expenditures by handicapping condition.

(f)(1) Not later than 120 days after the close of each fiscal year, the Secretary shall publish and disseminate an annual report on the progress being made toward the provision of a free appropriate public education to all handicapped children and youth and early intervention services for handicapped infants and toddlers. The annual report shall be transmitted to the appropriate committees of each House of Congress and published and disseminated in sufficient quantities to the education community at large and to other interested parties.

(2) The Secretary shall include in each annual report under paragraph (1)—

(A) a compilation and analysis of data gathered under subsection (b),

(B) an index and summary of each evaluation activity and results of studies conducted under subsection (c),

(C) a description of findings and determinations resulting from monitoring reviews of state implementation of part B of this Act,

(D) an analysis and evaluation of the participation of handicapped children and youth in vocational education programs and services,

(E) an analysis and evaluation of the effectiveness of procedures undertaken by each State educational agency, local educational agency, and intermediate educational unit to ensure that handicapped children and youth receive special education and related services in the least restrictive environment commensurate with their needs and to improve programs of instruction for handicapped children and youth in day or residential facilities, and

(F) any recommendation for change in the provisions of this Act or any other Federal law providing support for the education of handicapped children and youth.

(3) In the annual report under paragraph (1) for fiscal year 1985 which is published in 1986 and for every third year thereafter, the Secretary shall include in the annual report—

(A) an index of all current projects funded under parts C through G of this title, and

(B) data reported under sections 621, 622, 623, 627, 634, 641, and 661.

(4) In the annual report under paragraph (1) for fiscal year 1988 which is published in 1989, the Secretary shall include special sections addressing the provision of a free appropriate public education to handicapped infants, toddlers, children, and youth in rural areas and to handicapped migrants, handicapped Indians (particularly programs operated under section 611(f)), handicapped Native Hawaiian and other native Pacific basin children and youth, handicapped infants, toddlers, children and youth of limited English proficiency.

(5) Beginning in 1986, in consultation with the National Council for the Handicapped and the Bureau of Indian Affairs Advisory Committee for Exceptional Children, a description of the status of early intervention services for handicapped infants and toddlers from birth through age two, inclusive, and special education and related services to handicapped children from 3 through 5 years of age (including those receiving services through Head Start, Developmental Disabilities Programs, Crippled Children's Services, Mental Health/Mental Retardation Agency, and State child-development centers and private agencies under contract with local schools).

(g) There are authorized to be appropriated $3,800,000 for fiscal year 1987, $4,000,000 for fiscal year 1988, and $4,200,000 for fiscal year 1989 to carry out this section.

[INCENTIVE GRANTS

[SEC. 619. (a) The Secretary shall make a grant to any State which—

[(1) has met the eligibility requirements of section 612;

[(2) has a State plan approved under section 613; and

[(3) provides special education and related services to handicapped children aged three to five, inclusive, who are counted for the purpose of section 611(a)(1)(A).

The maximum amount of the grant for each fiscal year which a State may receive under this section shall be $300 for each such child in that State.

[(b) Each state which—

[(1) has met the eligibility requirements of section 612,

[(2) has a State plan approved under section 613, and

[(3) desire to receive a grant under this section.

shall make an application to the Secretary at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require.

[(c) The Secretary shall pay to each State having an application approved under subsection (b) of this section the amount of which the State is entitled under this section, which amount shall be used for the purpose of providing the services specified in clause (3) of subsection (a) of this section, and for providing special education and related services for handicapped children from birth to three years of age.

[(d) If the sums appropriated for any fiscal year for making payments to States under this section are not sufficient to pay in full the maximum amounts which all States may receive under this part for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

[(e) In addition to the sums necessary to pay the entitlements under section 611, there are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this section.]

PRE-SCHOOL GRANTS

Sec. 619. (a)(1) For fiscal years 1987 through 1989 (or fiscal year 1990 if the Secretary makes a grant under this paragraph for such fiscal year) the Secretary shall make a grant to any State which—

(A) has met the eligibility requirements of section 612,

(B) has a State plan approved under section 613, and

(C) provides special education and related services to handicapped children aged three to five, inclusive.

(2)(A) For fiscal year 1987 the amount of a grant to a State under paragraph (1) may not exceed—

(i) $300 per handicapped child aged three to five, inclusive, who received special education and related services in such State as determined under section 611(a)(3), or

(ii) if the amount appropriated under subsection (e) exceeds the product of $300 and the total number of handicapped children aged three to five, inclusive, who received special education and related services as determined under section 611(a)(3)—

(I) $300 per handicapped child aged three to five, inclusive, who received special education and related services in such State as determined under section 622(a)(3), plus

(II) an amount equal to the portion of the appropriation available after allocating funds to all States under subclause (I) (the excess appropriation) divided by the estimated increase, from the preceding fiscal year, in the number of handicapped children aged three to five, inclusive, who will be receiving special education and related services in all States multiplied by the estimated number of such children in such State.

(B) For fiscal year 1988, funds shall be distributed in accordance with clause (i) or (ii) of paragraph (2)(A), except that the amount specified therein shall be $400 instead of $300.

(C) For fiscal year 1989, funds shall be distributed in accordance with clause (i) or (ii) of paragraph (2)(A), except that the amount specified therein shall be $500 instead of $300.

(D) If the Secretary makes a grant under paragraph (1) for fiscal year 1990, the amount of a grant to a State under such paragraph may not exceed $1,000 per handicapped child aged three to five, inclusive, who received special education and related services in such State as determined under section 611(a)(3).

(E) If the actual number of additional children served in a fiscal year differs from the estimate made under clause (ii)(II) of the applicable subparagraph, subparagraph (A)(ii)(II), the Secretary shall adjust (upwards or downwards) a State's allotment in the subsequent fiscal year.

(F)(i) The amount of a grant under subparagraph (A), (B), or (C) to any State for a fiscal year may not exceed $3,800 per estimated handicapped child aged three to five, inclusive, who will be receiving or handicapped child, age three to five, inclusive, who is receiving special education and related services in such State.

(ii) If the amount appropriated under subsection (e) for any fiscal year exceeds the amount of grants which may be made to the States for such fiscal year, the excess amount appropriated shall remain available for obligation under this section for 2 succeeding fiscal years.

(3) To receive a grant under paragraph (1) a State shall make an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(b)(1) For fiscal year 1990 (or fiscal year 1991 if required by paragraph (2)) and fiscal years thereafter the Secretary shall make a grant to any State which—

(A) has met the eligibility requirements of section 612, and

(B) has a State plan approved under section 613 which includes policies and procedures that assure the availability under the State law and practice of such State of a free appropriate public education for all handicapped children aged three to five, inclusive.

(2) The Secretary may make a grant under paragraph (1) only for fiscal year 1990 and fiscal years thereafter, except that if—

(A) the aggregate amount that was appropriated under subsection (e) for fiscal years 1987, 1988, and 1989 was less than $656,000,000, and

(B) the amount appropriated for fiscal year 1990 under subsection (e) is less than $306,000,000,

the Secretary may not make a grant under paragraph (1) until fiscal year 1991 and shall make a grant under subsection (a)(1) for fiscal year 1990.

(3) The amount of any grant to any State under paragraph (1) for any fiscal year may not exceed $1,000 for each handicapped child in such State aged three to five, inclusive.

(4) To receive a grant under paragraph (1) a State shall make an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(c)(1) For fiscal year 1987, a State which receives a grant under subsection (a)(1) shall—

(A) distribute at least 70 percent of such grant to local educational agencies and intermediate educational units in such State in accordance with paragraph (3), except that in applying such section only handicapped children aged three to five, inclusive, shall be considered.

(B) use not more than 25 percent of such grant for the planning and development of a comprehensive delivery system for which a grant could have been made under section 623(b) in effect through fiscal year 1987 and for direct and support services for handicapped children, and

(C) use not more than 5 percent of such grant for administrative expenses related to the grant.

(2) for fiscal years beginning after fiscal year 1987, a State which receives a grant under subsection (a)(1) or (b)(1) shall—

(A) distribute at least 75 percent of such grant to local educational agencies and intermediate educational units in such State in accordance with paragraph (3), except that in applying such section only handicapped children aged three to five, inclusive, shall be considered,

(B) use not more than 20 percent of such grant for the planning and development of a comprehensive delivery system for which a grant could have been made under section 623(b) in effect through fiscal year 1987 and for direct and support services for handicapped children, and

(C) use not more than 5 percent of such grant for administrative expenses related to the grant.

(3) From the amount of funds available to local educational agencies and intermediate educational units in any State under this section, each local educational agency or intermediate educational unit shall be entitled to—

(A) an amount which bears the same ratio to the amount available under subsection (a)(2)(A)(i) or subsection (a)(2)(A)(ii)(I), as the case may be, as the number of handicapped children aged three to five, inclusive, who received special education and related services as determined under section 611(a)(3) in such local educational agency or intermediate educational unit bears to the aggregate number of handicapped children aged three to five, inclusive, who received special education and related services in all local educational agencies and intermediate educational units in the State entitled to funds under this section, and

(B) to the extent funds are available under subsection (a)(2)(A)(ii)(II), an amount which bears the same ratio to the amount available under subsection (a)(2)(A)(ii)(II) as the estimated number of additional handicapped children aged three to five, inclusive, who will be receiving special education and related services in such local educational agency or intermediate educational unit bears to the aggregate number of handicapped children aged three to five, inclusive, who will be receiving special education and related services in all local educational agencies and intermediate educational units in the State entitled to funds under this section.

(d) If the sums appropriated under subsection (e) for any fiscal year for making payments to States under subsection (a)(1) or (b)(1) are not sufficient to pay in full the maximum amounts which all States may receive under such subsection for such fiscal year, the maximum amounts which all States may receive under such subsection for such fiscal year shall be ratably reduced by first ratably reducing amounts computed under the excess appropriations provision of subsection (a)(2)(A)(ii)(II). If additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, the reduced maximum amounts shall be increased on the same basis as they were reduced.

(e) For grants under subsections (a)(1) and (b)(1) there are authorized to be appropriated such sums as may be necessary.

* * * * * * *

PART C—CENTERS AND SERVICES TO MEET SPECIAL NEEDS OF THE HANDICAPPED

[REGIONAL RESOURCE CENTERS

[SEC. 621. (a) The Secretary is authorized to make grants to, or to enter into contracts or cooperative agreements with, institutions of higher education, private nonprofit organizations, State educational agencies, or combinations of such agencies or institutions (which combinations may include one or more local educational agencies) within particular regions of the United States, to pay all or part of the cost of the establishment and operation of regional resource centers. Each regional resource center shall provide consultation, technical assistance, and training to State educational agencies and through such State agencies to local educational agencies. Each center estalished or operated under this section shall—

[(1) assist in identifying and solving persistent problems in providing quality special education and related services for handicapped children and youth;

[(2) assist in developing, identifying, and replicating successful programs and practices which will improve special education and related services to handicapped children and youth and their families;

[(3) gather and disseminate information to all State educational agencies within the region and coordinate activities with other centers assisted under this section and other relevant projects conducted by the Department of Education; and

[(4) assist in the improvement of information dissemination to and training activities for professionals and parents of handicapped children.

[(b) In determining whether to approve an application for a project under this section, the Secretary shall consider the need for such a center in the region to be served by the applicant and the capability of the applicant to fulfill the responsibilities under subsection (a).

[(c) Each regional resource center shall report a summary of materials produced or developed and this information shall be included in the annual report to Congress required under section 618.]

REGIONAL RESOURCE AND FEDERAL CENTERS

SEC. 621. (a) The Secretary may make grants to, or enter into contracts or cooperative agreements with, institutions of higher education, public agencies, private nonprofit organizations, State educational agencies, or combinations of such agencies or institutions (which combinations may include one or more local educational agencies) within particular regions of the United States, to pay all or part of the cost of the establishment and operation of regional resource centers. Each regional resource center shall provide consultation, technical assistance, and training to State educational agencies and through such State educational agencies to local educational agencies and to other appropriate State agencies providing early intervention services. The services provided by a regional resource center shall be consistent with the priority needs identified by the States seved by the center and the findings of the Secretary in monitoring reports prepared by the Secretary under section 617 of the Act. Each regional resource center established or operated under this section shall—

(1) assist in identifying and solving persistent problems in providing quality special education and related services for handicapped children and youth and early intervention services to handicapped infants and toddlers and their families,

(2) assist in developing, identifying, and replicating successful programs and practices which will improve special education and related services to handicapped children and youth and their families and eary intervention services to handicapped infants and toddlers and their families,

(3) gather and disseminate information to all State educational agencies within the region and coordinate activities with other centers assisted under this subsection and other relevant projects conducted by the Department of Education,

(4) assist in the improvement of information dissemination to and training activities for professionals and parents of handicapped infants, toddlers, children, and youth, and

(5) provide information to and training for agencies, institutions, and organizations, regarding techniques and approaches for submitting applications for grants, contracts, and cooperative agreements under this part and parts D through G.

(b) In determining whether to approve an application for a project under subsection (a), the Secretary shall consider the need for such a

center in the region to be served by the applicant and the capability of the applicant to fulfill the responsibilities under subsection (a).

(c) Each regional resource center shall report a summary of materials produced or developed and the summaries reported shall be included in the annual report to Congress required under section 618.

(d) The Secretary may establish one coordinating technical assistance center focusing on national priorities established by the Secretary to assist the regional resource centers in the delivery of technical assistance, consistent with such national priorities.

(e) Before using funds made available in any fiscal year to carry out this section for purposes of subsection (d), not less than the amount made available for this section in the previous fiscal year shall be made available for regional resource centers under subsection (a) and in no case shall more than $500,000 be made available for the center under subsection (d).

SERVICES FOR DEAF-BLIND CHILDREN AND YOUTH

SEC. 622. (a) * * *

(e) The Secretary is authorized to make grants to, enter into contracts or cooperative agreements with public or nonprofit private agencies, institutions, or organizations for the development and operation of extended school year demonstration programs for severely handicapped children and youth, including deaf-blind children and youth.

(f) The Secretary may make grants to, or enter into contracts or cooperative agreements with, the entities under section 624(a) for the purposes in such section.

[EARLY EDUCATION FOR HANDICAPPED CHILDREN

[SEC. 623. (a)(1) The Secretary is authorized to arrange by contract, grant, or cooperative agreement with appropriate public agencies and private nonprofit organizations, for the development and operation of programs of experimental preschool and early education for handicapped children which the Secretary determines show promise of promoting a comprehensive and strengthened approach to the special problems of such children. Such programs shall include activities and services designed to (1) facilitate the intellectual, emotional, physical, mental, social, and language development of such children; (2) encourage the participation of the parents of such children in the development and operation of any such program; and (3) acquaint the community to be by any such program with the problems and potentialities of such children.

[(2) Programs authorized by this subsection shall be coordinated with similar programs in the schools operated or supported by State of local educational agencies of the community to be served.

[(3) As much as is feasible, such programs shall be geographically dispersed throughout the Nation in urban as well as rural areas.

[(4) No arrangement pursuant to this section shall provide for the payment of more than 90 per centum of the total annual costs of development, operation, and evaluation of any program. Non-Federal contributions may be in cash or in kind, fairly evaluated, including, but not limited to, plant, equipment, and services.

[(5) For purposes of this subsection the term "handicapped children" includes children from birth through eight years of age.

[((b)(1) Subject to paragraph (2), the Secretary is authorized to make a grant to each State through the State educational agency or other State agency to assist such State agency in planning, developing, and implementing a comprehensive delivery system for the provision of special education and related services to handicapped children from birth through five years of age.

[(2) The Secretary shall make one of the following types of grants (authorized under paragraph (1) to any State which submits an application which meets the requirements of this subsection:

[(A) PLANNING GRANT.—A grant for a maximum of two years for the purpose of assessing needs within the State and establishing a procedure and design for the development of a State plan which includes parent particpation and training of professionals and others.

[(B) DEVELOPMENT GRANT.—A grant for a maximum of three years for the purpose of developing a comprehensive State plan, and gaining approval of this plan from the State Board of Education, The Commissioner of Education, or other designated official of the appropriate State agency.

[(C) IMPLEMENTATION GRANT.—A grant for a maximum of three years for the purpose of implementing and evaluating the comprehensive State plan. A State must apply for annual renewal of such grant.

[(3) Each State educational agency or other State agency desiring to receive a grant under this subsection shall submit an application at such time, in such manner, and accompanied by such information as the Secretary considers necessary. Each such application shall contain assurances and evidence that:

[(A) The State agency receiving the grant will coordinate with other appropriate State agencies (including the State educational agency) in carrying out the grant.

[(B) The State plan will address the special education and related service needs of all handicapped children from birth through five years of age with special emphasis on children who are often not identified and children who are not now served.

[(C) The State plan will be closely coordinated with child-find efforts under section 612(2)(C) and with preschool incentive grant activities under section 619 of this Act

[(4) The Secretary shall include in the annual report under section 618 of this Act the following:

[(A) The States and State agencies receiving grants under this subsection and the types of grants received.

[(B) A description of the activities in each State being undertaken through grants under this subsection.

[(C) Beginning in 1986, in consultation with the National Council for the Handicapped and the National Advisory Committee on the Education of Handicapped Children and Youth, a description of the status of special education and related services to handicapped children from birth through five years of age (including those receiving services through Head Start, Developmental Disabilities Program, Crippled Children's Services, Mental Health/Mental Retardation Agency, and State child-development centers and private agencies under contract with local schools).

[(c)(1) Not less than 30 per centum of the funds made available in any year for the purposes of this section may be used for purposes of subsection (b).

[(2) Not less than 10 per centum of the funds made available in any year for the purposes of subsection (b) shall be available for the provision of training and technical assistance of States preparing to receive or receiving grants under this section.]

EARLY EDUCATION FOR HANDICAPPED CHILDREN

SEC. 623. (a)(1) The Secretary may arrange by contract, grant, or cooperative agreement with appropriate public agencies and private nonprofit organizations, for the development and operation of experimental, demonstration, and outreach preschool and early intervention programs for handicapped children which the Secretary determines show promise of promoting a comprehensive and strengthened approach to the special problems of such children. Such programs shall include activities and services designed to (1) facilitate the intellectual, emotional, physical, mental, social, speech, language development, and self-help skills of such children, (2) encourage the participation of the parents of such children in the development and operation of any such program, and (3) acquaint the community to be served by any such program with the problems and potentialities of such children, (4) offer training about exemplary models and practices to State and local personnel who provide services to handicapped children from birth through eight, and (5) support the adaption of exemplary models and practices in States and local communities.

(2) Programs authorized by paragraph (1) shall be coordinated with similar programs in the schools operated or supported by State or local educational agencies of the community to be served and with similar programs operated by other public agencies in such community.

(3) As much as is feasible, programs assisted under paragraph (1) shall be geographically dispersed throughout the Nation in urban as well as rural areas.

(4)(A) Except as provided in subparagraph (B), no arrangement under paragraph (1) shall provide for the payment of more than 90 percent of the total annual costs of development, operation, and evaluation of any program. Non-Federal contributions may be in cash or in kind, fairly evaluated, including plant, equipment, and services.

(B) The Secretary may waive the requirement of subparagraph (A) in the case of an arrangement entered into under paragraph (1) with governing bodies of Indian tribes located on Federal or State reservations and with consortia of such bodies.

(b) The Secretary shall arrange by contract, grant, or cooperative agreement with appropriate public agencies and private nonprofit organizations for the establishment of a technical assistance development system to assist entities operating experimental, demonstra-

tion, and outreach programs and to assist State agencies to expand and improve services provided to handicapped children.

(c) The Secretary shall arrange by contract, grant, or cooperative agreement with appropriate public agencies and private nonprofit organizations for the establishment of early childhood research institutes to carry on sustained research to generate and disseminate new information on preschool and early intervention for handicapped children and their families.

(d) The Secretary may make grants to, enter into contracts or cooperative agreements under this section with, such organizations or institutions, as are determined by the Secretary to be appropriate, for research to identify and meet the full range of special needs of handicapped children and for training for programs specifically designed for handicapped children.

(e) At least one year before the terminaton of a grant, contract, or cooperative agreement made or entered into under subsections (b) and (c), the Secretary shall publish in the Federal Register a notice of intent to accept application for such a grant, contract, or cooperative agreement contingent on the appropriation of sufficient funds by Congress.

(f) For purposes of this section the term "handicapped children" includes children from birth through eight years of age.

[RESEARCH, INNOVATION, TRAINING, AND DISSEMINATION ACTIVITIES IN CONNECTION WITH CENTERS AND SERVICES FOR THE HANDICAPPED

[SEC. 624. (a) The Secretary is authorized to make grants to, or to enter into contracts or cooperative agreements with such organizations or institutions, as are determined by the Secretary to be appropriate, consistent with the purposes of this part, for—

[(1) research to identify and meet the full range of special needs of handicapped children and youth;

[(2) the development or demonstration of new, or improvements in existing, methods, approaches, or techniques which would contribute to the adjustment and education of handicapped children and youth;

[(3) training of personnel for programs specifically designed for handicapped children; and

[(4) disseminaton of materials and information about practices found effective in working with such children and youth.

[(b) In making grants and contracts under this section, the Secretary shall ensure that the activities funded under such grants and contracts will be coordinated with similar activities funded from grants and contracts under other sections of this Act.

[(c) In carrying out the provisions of this section the Secretary is authorized to address the needs of the severely handicapped.]

PROGRAMS FOR SEVERELY HANDICAPPED CHILDREN

SEC. 624. (a) The Secretary may make grants to, or enter into contracts or cooperative agreements with, such organizations or institutions, as are determined by the Secretary to be appropriate, to address the needs of severely handicapped children and youth, for—

(1) research to identify and meet the full range of special needs of such handicapped children and youth,

(2) the development or demonstration of new, or improvements in, existing, methods, approaches, or techniques which would contribute to the adjustment and education of such handicapped children and youth,

(3) training of personnel for programs specifically designed for such children, and

(4) dissemination of materials and information about practices found effective in working with such children and youth.

(b) In making grants and contracts under subsection (a), the Secretary shall ensure that the activities funded under such grants and contracts will be coordinated with similar activities funded from grants and contracts under other sections of this Act.

(c) To the extent feasible, programs, authorized by subsection (a) shall be geographically dispersed throughout the nation in urban and rural areas.

[POSTSECONDARY EDUCATION PROGRAMS

[SEC. 625. (a)(1) The Secretary is authorized to make grants to or to enter into contracts with State educational agencies, institutions of higher education, junior and community colleges, vocational and technical institutions, and other appropriate nonprofit educational agencies for the development, operation, and dissemination of specially designed model programs of postsecondary, vocational, technical, continuing, or adult education for handicapped individuals.

[(2) In making grants or contracts on a competitive basis under this section, the Secretary shall give priority consideration to the four regional centers for the deaf and to model programs for individuals with handicapping conditions other than deafness—

[(A) for developing and adapting programs of postsecondary, vocational, technical, continuing, or adult education to meet the special needs of handicapped individuals; and

[(B) for programs that coordinate, facilitate, and encourage education of handicapped individuals with their nonhandicapped peers.

[(3) Of the sums made available for programs under this section not less than $2,000,000 shall first be available for the four regional centers for the deaf.

[(b) For the purposes of this section the term "handicapped individuals" means individuals who are mentally retarded, hard of hearing, deaf, speech or language impaired, visually handicapped, seriously emotionally disturded, orthopedically impaired, or other health impaired individuals with specific learning disabilities who by reason thereof require special education and related services.]

POSTSECONDARY EDCUCATION

SEC. 625. (a) (1) The Secretary may make grants to, or enter into contracts with, State educational agencies, insititutions of higher education, junior and community colleges, vocational and technical institutions, and other appropriate nonprofit educational agencies for the development, operation, and dissemination of specially designed model programs of postsecondary, vocational, technical, continuing, or adult education for handicapped individuals.

(2) In making grants or contracts on a competitive basis under paragraph (1), the Secretary shall give priority consideration to 4 regional centers for the deaf and to model programs for individuals with handicapping conditions other than deafness—

(A) for developing and adapting programs of postsecondary, vocational, technical, continuing, or adult education to meet the special needs of handicapped individuals, and

(B) for programs that coordinate, facilitate, and encourage education of handicapped individuals with their nonhandicapped peers.

(3) Persons operating programs for handicapped persons under a grant or contract under paragraph (1) must coordinate their efforts with and disseminate information about their activities to the clearinghouse on postsecondary programs established under section 633(b).

(4) At least one year before the termination of a grant or contract with any of the 4 regional centers for the deaf, the Secretary shall publish in the Federal Register a notice of intent to accept application for such grant or contract, contingent on the appropriation of sufficient funds by Congress.

(5) To the extent feasible, programs authorized by paragraph (1) shall be geographically dispensed throughout the nation in urban and rural areas.

(6) Of the sums made available for programs under paragraph (1), not less than $2,000,000 shall first be available for the 4 regional centers for the deaf.

(b) For the purposes of subsection (a) the term "handicapped individuals" means individuals who are mentally retarded, hard of hearing, deaf, speech or language impaired, visually handicapped, seriously emotionally disturbed, orthopedically impaired, other health impaired individuals, or individuals with specific learning disabilities who by reason thereof require special education and related services.

[SECONDARY EDUCATION AND TRANSITIONAL SERVICES FOR HANDICAPPED YOUTH

[SEC. 626. (a) The Secretary is authorized to make grants to, or enter into contracts with, institutions of higher education, State educational agencies, local educational agencies, or other appropriate public and private nonprofit institutions or agencies (including the State job training coordinating councils and service delivery area administrative entities established under the Job Training Partnership Act (Public Law 97-300)) to—

[(1) strengthen and coordinate education, and related services for handicapped youth to assist in the transitional process to postsecondary education, vocational training, competitive employment, continuing education, or adult services; and

[(2) stimulate the improvement and development of programs for secondary special education.

[(b) Projects assisted under this section may include—

[(1) developing strategies and techniques for transition to independent living, vocational training, postsecondary education, and competitive employment for handicapped youth;

[(2) establishing demonstration models for services and programs which emphasize vocational training, transitional services, and placement for handicapped youth;

[(3) conducting demographic studies which provide informatin on the numbers, age levels, types of handicapping conditions, and services required for handicapped youth in need of transitional programs;

[(4) specially designed vocational programs to increase the potential for competitive employment for handicapped youth;

[(5) research and development projects for exemplary service delivery models and the replication and dissemination of successful models;

[(6) initiating cooperative models between educational agencies and adult service agencies, including vocational rehabilitation, mental health, mental retardation, public employment, and employers, which facilitate the planning and developing of transitional services for handicapped youth to postsecondary education, vocational training, employment, continuing education, and adult services; and

[(7) developing appropriate procedures for evaluating vocational training, placement, and transitional services for handicapped youth.

[(c) For purposes of subsections (b)(1) and (b)(2), if an applicant is not an educational agency, such applicant shall coordinate with the State educational agency.

[(d) Projects funded under this section shall to the extent appropriate provide for the direct participation of handicapped students and the parents of handicapped students in the planning, development, and implementation of such projects.

[(e) The Secretary, as appropriate, shall coordinate programs described under this section with projects developed under section 311 of the Rehabilitation Act of 1973.]

SECONDARY EDUCATION AND TRANSITIONAL SERVICES FOR HANDICAPPED YOUTH

SEC. 626. (a) The Secretary may make grants to, or enter into contracts with, institutions of higher education, State educational agencies, local educational agencies, or other appropriate public and private nonprofit institutions or agencies (including the State job training coordinating councils and service delivery area administrative entities established under the Job Training Partnership Act (Public Law 97-300)) to—

(1) strengthen and coordinate special education and related services for handicapped youth currently in school or who recently left school to assist them in the transition to postsecondary education, vocational training, competitive employment (including supported employment), continuing education, or adult services,

(2) stimulate the improvement and development of programs for secondary special education, and

(3) stimulate the improvement of the vocational and life skills of handicapped students to enable them to be better prepared for transition to adult life and services.

To the extent feasible, such programs shall be geographically dispersed through the Nation in urban and rural areas.

(b) Projects assisted under subsection (a) may include—

(1) developing strategies and techniques for transition to independent living, vocational training, vocational rehabilitation, postsecondary education, and competitive employment (including supported employment) for handicapped youth,

(2) establishing demonstration models for services, programs, and individualized education programs, which emphasize vocational training, transitional services, and placement for handicapped youth,

(3) conducting demographic studies which provide information on the numbers, age levels, types of handicapping conditions, and services required for handicapped youth in need of transitional programs,

(4) specially designed vocational programs to increase the potential for competitive employment for handicapped youth,

(5) research and development projects for exemplary service delivery models and the replication and dissemination of successful models,

(6) initiating cooperative models between educational agencies and adult service agencies, including vocational rehabilitation, mental health, mental retardation, public employment, and employers, which facilitate the planning and developing of transitional services for handicapped youth to postsecondary education, vocational training, employment, continuing education, and adult services,

(7) developing appropriate procedures for evaluating vocational training, placement, and transitional services for handicapped youth,

(8) conducting studies which provide information on the numbers, age levels, types of handicapping conditions and reasons why handicapped youth drop out of school, and

(9) developing special education curriculum and instructional techniques that will improve handicapped students' acquisition of the skills necessary for transition to adult life and services, and

(10) specifically designed physical education and therapeutic recreation programs to increase the potential of handicapped youths for community participation.

(c) For purposes of paragraphs (1) and (2) of subsection (b), if an applicant is not an educational agency, such applicant shall coordinate with the State educational agency.

(d) Applications for assistance under subsection (a) other than for the purpose of conducting studies or evaluations shall—

(1) describe the procedures to be used for disseminating relevant findings and data to regional resource centers, clearinghouses, and other interested persons, agencies, or organizations,

(2) describe the procedures that will be used for coordinating services among agencies for which handicapped youth are or will be eligible, and

(3) to the extent appropriate, provide for the direct participation of handicapped students and the parents of handicapped students in the planning, development, and implementation of such projects.

(e) The Secretary is authorized to make grants to, or to enter into contracts or cooperative agreements with, such organizations or institutions as are determined by the Secretary to be appropriate for the development or demonstration of new or improvements in existing methods, approaches, or techniques which will contribute to the adjustment and education of handicapped children and youth and the dissemination of materials and information concerning practices found effective in working with such children and youth.

(f) The Secretary, as appropriate, shall coordinate programs described under subsection (a) with projects developed under section 311 of the Rehabilitation Act of 1973.

* * * * * * *

[AUTHORIZATION OF APPROPRIATIONS

[SEC. 628. (a) There are authorized to be appropriated to carry out the provisions of section 621, $5,700,000 for the fiscal year 1984, $6,000,000 for fiscal year 1985, and $6,300,000 for fiscal year 1986.

[(b) There are authorized to be appropriated to carry out the provisions of section 622, $15,000,000 or fiscal year 1984, and for each of the two succeeding fiscal years.

[(c) There are authorized to be appropriated to carry out the provisions of section 632, $26,000,000 or fiscal year 1984, $27,100,000 for fiscal year 1985, and $28,300,000 for fiscal year 1986.

[(d) There are authorized to be appropriated to carry out the provisions of subsection (c) of section 624, $5,000,000 for fiscal year 1984, $5,300,000 for fiscal year 1985, and $5,600,000 for fiscal year 1986.

[(e) There are authorized to be appropriated to carry out the provisions of section 625, $5,000,000 for fiscal year 1984, $5,300,000 for fiscal year 1985, and $5,500,000 for fiscal year 1986.

[(f) There are authorized to be appropriated to carry out the provisions of section 626, $6,000,000 for fiscal year 1984, $6,330,000 for fiscal year 1985, and $6,660,000 for fiscal year 1986.]

AUTHORIZATION OF APPROPRIATIONS

SEC. 628. (a) There are authorized to be appropriated to carry out section 621, $6,700,000 for fiscal year 1987, $7,100,000 for fiscal year 1988, and $7,500,000 for fiscal year 1989.

(b) There are authorized to be appropriated to carry out section 622, $15,900,000 for fiscal year 1987, $16,800,000 for fiscal year 1988, and $17,800,000 for fiscal year 1989.

(c) There are authorized to be appropriated to carry out section 623, $24,470,000 for fiscal year 1987, $25,870,000 for fiscal year 1988, and $27,410,000 for fiscal year 1989.

(d) There are authorized to be appropriated to carry out section 624, $5,300,000 for fiscal year 1987, $5,600,000 for fiscal year 1988, and $5,900,000 for fiscal year 1989.

(e) There are authorized to be appropriated to carry out section 625, $5,900,000 for fiscal year 1987, $6,200,000 for fiscal year 1988, and $6,600,000 for fiscal year 1989.

(f) There are authorized to be appropriated to carry out section 626, $7,300,000 for fiscal year 1986, $7,700,000 for fiscal year 1988, nad $8,100,000 for fiscal year 1989.

* * * * * * *

PART D—TRAINING PERSONNEL FOR THE EDUCATION OF THE HANDICAPPED

[GRANTS FOR PERSONNEL TRAINING

[SEC. 631. (a)(1) The Secretary is authorized to make grants which may include scholarships with necessary stipends and allowances, to institutions of higher education (including the university-affiliated facilities program under the Rehabilitation Act of 1973 and the satellite network of the developmental disabilities program) and other appropriate nonprofit agencies to assist them in training personnel for careers in special education including—

[(A) special education teaching, including speech, language, and hearing impaired, and adaptive physical education;

[(B) related services to handicapped children and youth in educational settings;

[(C) special education supervision and administration;

[(D) special education research; and

[(E) training of special education personnel and other personnel providing special services.

[(2) The Secretary shall ensure that grants awarded to applicant institutions and agencies under this subsection meet State and professionally recognized standards for the training of special education and related services personnel.

[(3) Grants under this subsection may be used by such institutions to assist in covering the cost of courses of training or study for such personnel and for establishing and maintaining fellowships or traineeships with such stipends and allowances as may be determined by the Secretary.

[(4) The Secretary in carrying out the purposes of this subsection may reserve a sum not to exceed 5 per centum of the amount available for this subsection in each fiscal year for contracts to prepare personnel in areas where shortages exist, when a response to that need has not been adequately addressed by the grant process.

[(b) The Secretary is authorized to make grants to institutions of higher education and other appropriate nonprofit agencies to conduct special projects to develop and demonstrate new approaches for the preservice training purposes set forth in subsection (a), for regular educators, and for the inservice training of special education personnel, including classroom aides, related services personnel, and regular education personnel who serve handicapped children.

[(c)(1) The Secretary is authorized to make grants through a separate competition to private nonprofit organizations for the purpose of providing training and information to parents of handicapped children and volunteers who work with parents to enable such individuals to participate more effectively with professionals in meeting the educational needs of handicapped children. Such grants shall be designed to meet the unique training and information needs of parents of handicapped children, including those who are members of groups that have been traditionally underrepresented, living in the area to be served by the grant.

[(2) In order to receive a grant under this subsection a private nonprofit organization shall—

[(A) be governed by a board of directors on which a majority of the members are parents of handicapped children and which includes members who are professionals in the field of special education and related services who serve handicapped children and youth; or if the nonprofit private organization does not have such a board, such organization shall have a membership which represents the interests of individuals with handicapping conditions, and shall establish a special governing committee on which a majority of the members are parents of handicapped children and which includes members who are professionals in the fields of special education and related services, to operate the training and information program under this subsection;

[(B) serve the parents of children with the full range of handicapping conditions under such grant program; and

[(C) demonstrate the capacity and expertise to conduct effectively the training and information activities authorized under this subsection.

[(3) The board of directors or special governing committee of a private nonprofit organization receiving a grant under this subsection shall meet at least once in each calendar quarter to review such parent training and information activities, and each such committee shall advise the governing board directly of its views and recommendations. Whenever a private nonprofit organization requests the renewal of a grant under this subsection, the board of directors or the special governing committee shall submit to the Secretary a writtn review of the parent training and information program conducted by that private nonprofit organization during the preceding fiscal year.

[(4) The Secretary shall ensure that grants under this subsection will—

[(A) be distributed geographically to the greatest extent possible throughout all the States; and

[(B) be targeted to parents of handicapped children in both urban and rural areas, or on a State, or regional basis.

[(5) Parent training and information programs assisted under the subsection shall assist parents to—

[(A) better understand the nature and needs of the handicapping conditions of their child;

[(B) provide followup support for their handicapped child's educational programs;

[(C) communicate more effectively with special and regular educators, administrators, related services personnel, and other relevant professionals;

[(D) participate in educational decisionmaking processes including the development of their handicapped child's individualized educational program;

[(E) obtain information about the programs, services, and resources available to their handicapped child, and the degree to which the programs, services, and resources are appropriate; and

[(F) understand the provisions for the education of handicapped children as specified under part B of this Act.

[(6) Each private nonprofit organization operating a program receiving assistance under this subsection shall consult with appropriate agencies which serve or assist handicapped children and youth and are located in the jurisdictions served by the program.

[(7) The Secretary shall provide technical assistance, by grant or contract, for establishing, developing, and coordinating parent training and information programs.]

GRANTS FOR PERSONNEL TRAINING

SEC. 631. (a)(1) The Secretary may make grants, which may include scholarships with necessary stipends and allowances, to institutions of higher education (including the university-affiliated facilities program under the Rehabilitation Act of 1973 and satellite network of the developmental disabilities program) and other appropriate nonprofit agencies to assist them in training personnel for careers in special education and early intervention, including—

(A) special education teaching, including speech-language pathology and audiology, and adaptive physical education,

(B) related services to handicapped children and youth in educational settings,

(C) special education supervision and administration,

(D) special education research, and

(E) training of special educational personnel and other personnel providing special services and pre-school and early intervention services for handicapped children.

(2)(A) In making grants under paragraph (1), the Secretary shall base the determination of such grants on information relating to the present and projected need for the personnel to be trained based on identified State, regional, or national shortage, and the capacity of the institution or agency to train qualified personnel, and other information considered appropriate by the Secretary.

(B) The Secretary shall ensure that grants are only made under paragraph (1) to applicant agencies and institutions that meet State and professionally recognized standards for the preparation of sepcial education and related services personnel unless the grant is for the purpose of assisting the applicant agency or institution to meet such standards.

(3) Grants under paragraph (1) may be used by institutions to assist in covering the cost of courses of training or study of such personnel and for establishing and maintaining fellowships or traineeships with such stipends and allowances as may be determined by the Secretary.

(4) The Secretary in carrying out paragraph (1) may reserve a sum not to exceed 5 percent of the amount available for paragraph (1) in

each fiscal year for contracts to prepare personnel in areas where shortages exist when a response to that need has not been adequately addressed by the grant process.

(b) The Secretary may make grants to institutions of higher education and other appropriate nonprofit agencies to conduct special projects to develop and demonstrate new approaches (including the application of new technology) for the preservice training purposes set forth in subsection (a), for regular educators, for the training of teachers to work in community and school settings with handicapped secondary school students, and for the inservice training of special education personnel, including classroom aides, related services personnel, and regular education personnel who serve handicapped children and personnel providing early intervention services.

(c)(1) The Secretary may make grants through a separate competition to private nonprofit organizations for the purpose of providing training and information to parents of handicapped children and persons who work with parents to enable such individuals to participate more effectively with professionals in meeting the educational needs of handicapped children. Such grants shall be designed to meet the unique training and information needs of parents of handicapped children living in the area to be served by the grant, particularly those who are members of groups that have been traditionally underrepresented.

(2) In order to receive a grant under paragraph (1) a private nonprofit organization shall—

(A) be governed by a board of directors on which a majority of the members are parents of handicapped children and which includes members who are professionals in the field of special education and related services who serve handicapped children and youth, or if the nonprofit private organization does not have such a board, such organization shall have a membership which represents the interests of individuals with handicapping conditions, and shall establish a special governing committee on which a majority of the members are parents of handicapped children and which includes members who are professionals in the fields of special education and related services, to operate the training and information program under paragraph (1),

(B) serve the parents of children with the full range of handicapping conditions under such grant program, and

(C) demonstrate the capacity and expertise to conduct effectively the training and information activities for which a grant may be made under paragraph (1).

(3) The board of directors or special governing committee of a private nonprofit organization receiving a grant under paragraph (1) shall meet at least once in each calendar quarter to review the parent training and information activities for which the grant is made, and each such committee shall advise the governing board directly of its views and recommendations. Whenever a private nonprofit organization requests the renewal of a grant under paragraph (1) for a fiscal year, the board of directors or the special governing committee shall submit to the Secretary a written review of the parent training and information program conducted by that private nonprofit organization during the preceding fiscal year.

(4) The Secretary shall ensure that grants under paragraph (1) will—

(A) be distributed geographically to the greatest extent possible throughout all the States and give priority to grants which involve unserved areas, and

(B) be targeted to parents of handicapped children in both urban and rural areas or on a State or regional basis.

(5) Parent training and information programs assisted under paragraph (1) shall assist parents to—

(A) better understand the nature and needs of the handicapping conditions of children,

(B) provide followup support for handicapped children's educational programs,

(C) communicate more effectively with special and regular educators, administrators, related services personnel, and other relevant professionals,

(D) participate in educational decisionmaking processes including the development of a handicapped child's individualized educational program,

(E) obtain information about the programs, services, and resources available to handicapped children and the degree to which the programs, services, and resources are appropriate, and

(F) understand the provisions for the education of handicapped children as specified under part B of this Act.

(6) Parent training and information programs may, at a grant recipient's discretion, include State or local educational personnel where such participation will further an objective of the program assisted by the grant.

(7) Each private nonprofit organization operating a program receiving a grant under paragraph (1) shall consult with appropriate agencies which serve or assist handicapped children and youth and are located in the jurisdictions served by the program.

(8) The Secretary shall provide technical assistance, by grant or contract, for establishing, developing, and coordinating parent training and information programs.

[GRANTS TO STATE EDUCATIONAL AGENCIES FOR TRAINEESHIPS

[SEC. 632. The Secretary shall make grants to State educational agencies to assist them in establishing and maintaining, directly or through grants to institutions of higher education, programs for the preservice and inservice training of teachers of handicapped children, or supervisors of such teachers.]

GRANTS TO STATE EDUCATIONAL AGENCIES AND INSTITUTIONS FOR TRAINEESHIPS

SEC. 632. The Secretary shall make grants to each State educational agency and may make grants to institutions of higher education to assist in establishing and maintaining preservice and inservice programs to prepare personnel to meet the needs of handicapped infants, toddlers, children, and youth or supervisors of such persons, consistent with the personnel needs identified in the State's comprehensive system of personnel development under section 613.

[GRANTS TO IMPROVE RECRUITMENT OF EDUCATIONAL PERSONNEL AND DISSEMINATION OF INFORMATION CONCERNING EDUCATIONAL OPPORTUNITIES FOR THE HANDICAPPED]

CLEARINGHOUSES

SEC. 633. (a) The Secretary is authorized to make a grant to or enter into a contract with a public agency or a nonprofit private organization or institution for a national clearinghouse on the education of the handicapped and to make grants or contracts with a public agency or a nonprofit private organization or institution for other support projects which may be deemed necessary by the Secretary [to achieve the following objectives:

[(1) to disseminate information and provide technical assistance on a national basis to parents, professionals, and other interested parties concerning—

[(A) programs relating to the education of the handicapped under this Act and under other Federal laws; and

[(B) participation in such programs, including referral of individuals to appropriate national, State, and local agencies and organizations for further assistance;

[(2) to encourage students and professional personnel to seek and obtain careers and employment in the various fields relating to the education of handicapped children and youth; and

[(3) to provide information on available services and programs in postsecondary education for the handicapped.] *to disseminate information and provide technical assistance on a national basis to parents, professionals, and other interested parties concerning—*

(1) programs relating to the education of the handicapped under this Act and under other Federal laws, and

(2) participation in such programs, including referral of individuals to appropriate national, State, and local agencies and organizations for further assistance.

* * * * * * *

(c) The Secretary shall make a grant or enter into a contract for a national clearinghouse designed to encourage students to seek careers and professional personnel to seek employment in the various fields relating to the education of handicapped children and youth through the following:

(1) Collection and dissemination of information on current and future national, regional, and State needs for special education and related services personnel.

(2) Dissemination to high school counselors and others concerning current career opportunities in special education, locatin of programs, and various forms of financial assistance (such as scholarships, stipends, and allowances).

(3) Identification of training programs available around the country.

(4) Establishment of a network among local and State educational agencies and institutions of higher education concerning the supply of graduates and available openings.

(5) Technical assistance to institutions seeking to meet State and professionally recognized standards.

[(c)] *(d)* (1) In awarding the grants and contracts under this section, the Secretary shall give particular attention to any demonstrated experience at the national level relevant to performance of the functions established in the section, and ability to conduct such projects, communicate with the intended consumers of information, and maintain the necessary communication with other agencies and organizations.

(2) The Secretary is authorized to make contracts with profitmaking organizations under this section only when necessary for materials or media access.

* * * * * * *

[AUTHORIZATION OF APPROPRIATIONS

[SEC. 635. (a) There are auhorized to be appropriated to carry out the provisions of this part (other than section 633) $58,000,000 for fiscal year 1984, $61,150,000 for fiscal year 1985, and $64,370,000 for fiscal year 1986. There are authorized to be appropriated to carry out the provisions of section 633, $1,000,000 for fiscal year 1984, $1,050,000 for fiscal year 1985, and $1,110,000 for fiscal year 1986.

[(b) Of the fund appropriated pursuant to subsection (a) for any fiscal year, the Secretary shall reserve 10 per centum for activities under section 631(c).]

AUTHORIZATION OF APPROPRIATIONS

SEC. 635. (a) There are authorized to be appropriated to carry out this part (other than section 633) $70,400,000 for fiscal year 1987, $74,500,000 for fiscal year 1988, and $79,000,000 for fiscal year 1989. There are authorized to be appropriated to carry out section 633, $1,200,000 for fiscal year 1987, $1,900,000 for fiscal year 1988, and $2,000,000 for fiscal year 1989.

(b) Of the funds appropriated pursuant to subsection (a) for any fiscal year, the Secretary shall reserve not less than 65 per centum for activities described in subparagraphs (A) through (E) of section 631(a)(1).

(c) Of the funds appropriated under subsection (a) for any fiscal year, the Secretary shall reserve 10 percent for activities under section 631(c).

* * * * * * *

PART E—RESEARCH IN THE EDUCATION OF THE HANDICAPPED

[RESEARCH AND DEMONSTRATION PROJECTS IN EDUCATION OF HANDICAPPED CHILDREN

[SEC. 641. (a) The Secretary is authorized to make grants to, or enter into contracts or cooperative agreements with, State and local educational agencies, institutions of higher education, and other public agencies and nonprofit private organizations for research and related activities, to assist special education personnel, related services personnel, and other appropriate persons, including parents, in improving the education and related services for handicapped children and youth and to conduct research, surveys, or demonstrations relating to the education of handicapped children and youth. Research and related activities shall be designed to increase knowledge and understanding of handicapping conditions and teaching, learning, and education-related practices and services for handicapped children and youth. Research and related activities assisted under this section shall include, but not be limited to, the following:

[(1) The development of new and improved techniques and devices for teaching handicapped children and youth.

[(2) The development of curricula which meet the unique educational needs of handicapped children and youth.

[(3) The application of new technologies and knowledge for the purpose of improving the instruction of handicapped children and youth.

[(4) The development of program models and exemplary practices in areas of special education.

[(5) The dissemination of information on research and related activities conducted under this part to interested individuals and organizations.

[(b) In carrying out this section the Secretary shall consider the special education experience of the applicant and the ability of the applicant to disseminate the findings of any grant or contract.

[(c) The Secretary shall publish proposed research priorities in the Fedeal Register every two years, not later than July 1, and shall allow a period of sixty days for public comments and suggestions. After analyzing and considering the public comments, the Secretary shall publish final research priorities in the Federal Register not later than thirty days after the close of the comment period.

[(d) The Secretary shall provide an index (including the title of each research project and the name and address of the researching organization) of all research projects conducted in the prior fiscal year in the annual report described under section 618. The Secretary shall make reports of research projects available to the education community at large and to other interested parties.

[(e) The Secretary shall coordinate the research priorities established under this section with research priorities established by the National Institute of Handicapped Research and shall provide information concerning research priorities established under this section to the National Council on the Handicapped and to the National Advisory Committee on the Education of Handicapped Children.]

RESEARCH AND DEMONSTRATION PROJECTS IN EDUCATION OF HANDICAPPED CHILDREN

SEC. 641. (a) The Secretary may make grants to, or enter into contracts or cooperative agreements with, State and local educational agencies, institutions of higher education, and other public agencies and nonprofit private organizations for research, and related activities to assist special education personnel, related services personnel, early intervention personnel, and other appropriate persons, including parents, in improving the special education and related services *and early intervention services for handicapped infants, toddlers, children, and youth, and to conduct research, surveys, or demonstrations relating to the provision of services to handicapped infants, toddlers, children, and youth. Research and related activities shall be designed to increase knowledge and understanding of handicapping conditions, and teaching, learning, and education-related developmental practices and services for handicapped infants, toddlers, children and youth. Research and related activities assisted under this section shall include the following:*

(1) The development of new and improved techniques and devices for teaching handicapped infants, toddlers, children and youth.

(2) The development of curricula which meet the unique educational and developmental needs of handicapped infants, toddlers, children and youth.

(3) The application of new technologies and knowledge for the purpose of improving the instruction of handicapped infants, toddlers, children and youth.

(4) The development of program models and exemplary practices in areas of special education and early intervention.

(5) The dissemination of information on research and related activities conducted under this part to regional resource centers and interested individuals and organizations.

(6) The development of instruments, including tests, inventories, and scales for measuring progress of handicapped infants, toddlers, children and youth across a number of developmental domains.

(b) In carrying out subsection (a), the Secretary shall consider the special education or early intervention experience of applicants under such subsection.

(c) The Secretary shall publish proposed research priorities in the Federal Register every 2 years, not later than July 1, and shall allow a period of 60 days for public comments and suggestions. After analyzing and considering the public comments, the Secretary shall publish final research priorities in the Federal Register not later than 30 days after the close of the comment period.

(d) The Secretary shall provide an index (including the title of each research project and the name and address of the researching organization) of all research projects conducted in the prior fiscal year in the annual report described under section 618. The Secretary shall make reports of research projects available to the education community at large and to other interested parties.

(e) The Secretary shall coordinate the research priorities established under subsection (c) with research priorities established by the National Institute of Handicapped Research and shall provide information concerning research priorities established under such subsection to the National Council on the Handicapped, and to the Bureau of Indian Affairs Advisory Committee for Exceptional Children.

* * * * * * *

[PANELS OF EXPERTS

[SEC. 643. The Secretary shall from time to time appoint panels of experts who are competent to evaluate various types of proposals for projects under parts C, D, E, and F, and shall secure the advice and recommendations of one such panel before making any grant or contract under parts C, D, E, and F of this Act. The panels shall be composed of—

[(1) individuals from the field of special education for the handicapped and other relevant disciplines who have significant expertise and experience in the content areas and age levels addressed in the proposals; and

[(2) handicapped individuals and parents of handicapped individuals when appropriate.]

PANELS OF EXPERTS

SEC. 643. (a) The Secretary shall convene, in accordance with subsection (b), panels of experts who are competent to evaluate proposals for projects under parts C through G. The panels shall be composed of—

(1) individuals from the field of special education for the handicapped and other relevant disciplines who have significant expertise and experience in the content areas and age levels addressed in the proposals, and

(2) handicapped individuals and parents of handicapped individuals when appropriate.

(b)(1) The Secretary shall convene panels under subsection (a) for any application which includes a total funding request exceeding $60,000 and may convene or otherwise appoint panels for applications which include funding requests that are less than such amount.

(2) Such panels shall include a majority of non-Federal members. Such non-Federal members shall be provided travel and per diem not to exceed the rate provided to other educational consultants used by the Department and shall be provided consultant fees at such a rate.

(c) The Secretary may use funds available under parts C through G to pay expenses and fees of non-Federal members under subsection (b).

[AUTHORIZATION OF APPROPRIATIONS

[SEC. 644. For purposes of carrying out this part, there are authorized to be appropriated $20,000,000 for fiscal year 1984, $21,1000,000 for fiscal year 1985, and $22,200,000 for fiscal year 1986.]

AUTHORIZATION OF APPROPRIATIONS

SEC. 644. For purposes of carrying out this part, there are authorized to be appropriated $18,000,000 for fiscal year 1987, $19,000,000 for fiscal year 1988, and $20,100,000 for fiscal year 1989.

PART F.—INSTRUCTIONAL MEDIA FOR THE HANDICAPPED

* * * * * * *

CAPTIONED FILMS AND EDUCATIONAL MEDIA FOR HANDICAPPED PERSONS

SEC. 652. (a) The Secretary shall establish a loan service of captioned films and educational media for the purpose of making such materials available, *in accordance with regulations,* in the United States for nonprofit purposes to handicapped persons, parents of handicapped persons, and other persons directly involved in activities for the advancement of the handicapped ⟦in accordance with regulations.⟧, *including for the purpose of addressing problems of illiteracy among the handicapped.*

(b) The Secretary is authorized to—

(1) * * *

* * * * * * *

(4) provide, by grant or contract, for the distribution of captioned films and other educational media and equipment through State schools for the handicapped, *public libraries,* and such other agencies as the Secretary may deem appropriate to serve as local or regional centers for such distribution;

* * * * * * *

(7) accept gifts, contributions, and voluntary and uncompensated services of individuals and organizations⟦.⟧*; and*

(8) provide by grant or contract for educational media and materials for the deaf.

(c) The Secretary may make grants to or enter into contracts or cooperative agreements with the National Theatre of the Deaf, Inc. for the purpose of providing theatrical experiences to—

(1) enrich the lives of deaf children and adults,

(2) increase public awareness and understanding of deafness and of the artistic and intellectual achievements of deaf people, and

(3) promote the integration of hearing and deaf people through shared cultural experiences.

⟦CENTERS ON EDUCATIONAL MEDIA AND MATERIALS FOR THE HANDICAPPED

⟦SEC. 653. (a) The Secretary is authorized to enter into agreements with institutions of higher education, State and local educational agencies, or other appropriate nonprofit agencies, for the establishment and operation of centers on educational media and materials for the handicapped, which together will provide a comprehensive program of activities to facilitate the use of new educational technology in education programs for handicapped persons, including designing, developing, and adapting instructional materials, and such other activities consistent with the purposes of this part as the Secretary may prescribe in such agreements. Any such agreement shall—

⟦(1) provide that Federal funds paid to a center will be used solely for such purposes as are set forth in the agreement; and

[(2) authorize the center involved, subject to prior approval by the Secretary, to contract with public and private agencies and organizations for demonstration projects.

[(b) In considering proposals to enter into agreements under this section, the Secretary shall give preference to institutions and agencies—

[(1) which have demonstrated the capabilities necessary for the development and evaluation of educational media for the handicapped; and

[(2) which can serve the educational technology needs of the Model High School for the Deaf (established under Public Law 89-694).

[(c) Every three years, the Secretary shall make a report on activities carried out under this section which shall be transmitted to the Congress.]

[AUTHORIZATION OF APPROPRIATIONS

[SEC. 654. For the purposes of carrying out this part, there are authorized to be appropriated $19,000,000 for fiscal year 1984, $20,000,000 for fiscal year 1985, and $21,100,000 for fiscal year 1986.]

AUTHORIZATION

SEC. 653. For the purposes of carrying out this part, there are authorized to be appropriated $15,000,000 for fiscal year 1987, $15,750,000 for fiscal year 1988, and $16,540,000 for fiscal year 1989.

PART G—TECHNOLOGY, EDUCATIONAL MEDIA, AND MATERIALS FOR THE HANDICAPPED

FINANCIAL ASSISTANCE

SEC. 661. The Secretary may make grants or enter into contracts or cooperative agreements with institutions of higher education, State and local educational agencies, or other appropriate agencies and organizations for the purpose of advancing the use of new technology, media, and materials in the education of handicapped students and the provision of early intervention to handicapped infants and toddlers. In carrying out this subsection, the Secretary may fund projects or centers for the purposes of—

(1) determining how technology, media, and materials are being used in the education of the handicapped and how they can be used more effectively,

(2) designing and adapting new technology, media, and materials to improve the education of handicapped students,

(3) assisting the public and private sectors in the development and marketing of new technology, media, and materials for the education of the handicapped, and

(4) disseminating information on the availability and use of new technology, media, and materials for the education of the handicapped.

AUTHORIZATION OF APPROPRIATIONS

SEC. 662. For the purposes of carrying out this part, there are authorized to be appropriated $10,000,000 for fiscal year 1987, $10,500,000 for fiscal year 1988, and $11,025,000 for fiscal year 1989.

PART H—HANDICAPPED INFANTS AND TODDLERS

FINDINGS AND POLICY

SEC. 671. (a) FINDINGS.—The Congress finds that there is an urgent and substantial need—

(1) to enhance the development of handicapped infants and toddlers and to minimize their potential for developmental delay,

(2) to reduce the educational costs to our society, including our Nation's schools, by minimizing the need for special education and related services after handicapped infants and toddlers reach school age,

(3) to minimize the likelihood of institutionalization of handicapped individuals and maximize the potential for their independent living in society, and

(4) to enhance the capacity of families to meet the special needs of their infants and toddlers with handicaps.

(b) POLICY.—It is therefore the policy of the United States to provide financial assistance to States—

(1) to develop and implement a statewide, comprehensive, coordinated, multidisciplinary, interagency program of early intervention services for handicapped infants and toddlers and their families,

(2) to facilitate the coordination of payment for early intervention services from Federal, State, local, and private sources (including public and private insurance coverage), and

(3) to enhance its capacity to provide quality early intervention services and expand and improve existing early intervention services being provided to handicapped infants, toddlers, and their families.

DEFINITIONS

SEC. 672. As used in this part—

(1) The term "handicapped infants and toddlers" means individuals from birth to age 2, inclusive, who need early intervention services because they—

(A) are experiencing developmental delays, as measured by appropriate diagnostic instruments and procedures in one or more of the following areas: Cognitive development, physical development, language and speech development, psychosocial development, or self-help skills, or

(B) have a diagnosed physical or mental condition which has a high probability of resulting in developmental delay.

Such term may also include, at a State's discretion, individuals from birth to age 2, inclusive, who are at risk of having substantial developmental delays if early intervention services are not provided.

(2) "Early intervention service services" are developmental services which—

(A) are provided under public supervision,

(B) are provided at no cost except where Federal or State law provides for a system of payments by families, including a schedule of sliding fees,

(C) are designed to meet a handicapped infant's or toddler's developmental needs in any one or more of the following areas:

(i) physical development,
(ii) cognitive development,
(iii) language and speech development,
(iv) psycho-social development, or
(v) self-help skills,

(D) meet the standards of the State, including the requirements of this part,

(E) include—

(i) family training, counseling, and home visits,
(ii) special instruction,
(iii) speech pathology and audiology,
(iv) occupational therapy,
(v) physical therapy,
(vi) psychological services,
(vii) case management services,
(viii) medical services only for diagnostic or evaluation purposes,
(ix) early identification, screening, and assessment services, and
(x) health services necessary to enable the infant or toddler to benefit from the other early intervention services,

(F) are provided by qualified personnel, including—

(i) special educators,
(ii) speech and language pathologists and audiologists,
(iii) occupational therapists,
(iv) physical therapists,
(v) psychologists,
(vi) social workers,
(vii) nurses, and
(vii) nutritionists, and

(G) are provided in conformity with an individualized family service plan adopted in accordance with section 677.

(3) The term "developmental delay" has the meaning given such term by a State under section 676(b)(1).

(4) The term "Council" means the State Interagency Coordinating Council established under section 682.

GENERAL AUTHORITY

SEC. 673. The Secretary shall, in accordance with this part, make grants to States (from their allocations under section 684) to assist each State to develop a statewide, comprehensive, coordinated, mul-

tidisciplinary, interagency system to provide early intervention services for handicapped infants and toddlers and their families.

GENERAL ELIGIBILITY

SEC. 674. In order to be eligible for a grant under section 673 for any fiscal year, a State shall demonstrate to the secretary (in its application under section 678) that the State has established a State Interagency Coordinating Council which meets the requirements of section 682.

CONTINUING ELIGIBILITY

SEC. 675. (a) FIRST TWO YEARS.—In order to be eligible for a grant under section 673 for the first or second year of a State's participation under this part, a State shall include in its application under section 678 for that year assurances that funds received under section 673 shall be used to assist the state to plan, develop, and implement the statewide system required by section 676.

(b) THIRD AND FOURTH YEAR.—(1) In order to be eligible for a grant under section 673 for the third or fourth year of a State's participation under this part, a State shall include in its application under section 678 for that year information and assurances demonstrating to the satisfaction of the Secretary that—

(A) the State has adopted a policy which incorporates all of the components of a statewide system in accordance with section 676 or obtained a waiver from the Secretary under paragraph (2),

(B) funds shall be used to plan, develop, and implement the statewide system required by section 676, and

(C) such statewide system will be in effect no later than the beginning of the fourth year of the State's participation under section 673, except that with respect to section 676(b)(4), a State need only conduct multidisciplinary assessment, develop individualized family service plan, and make available case management services.

(2) Notwithstanding paragraph (1), the Secretary may permit a State to continue to receive assistance under section 673 during such third year even if the State has not adopted the policy required by paragraph (1)(A) before receiving assistance if the State demonstrates in its application—

(A) that the State has made a good faith effort to adopt such a policy,

(B) the reasons why it was unable to meet the timeline and the steps remaining before such a policy will be adopted, and

(C) an assurance that the policy will be adopted and go into effect before the fourth year of such assistance.

(c) FIFTH AND SUCCEEDING YEARS.—In order to be eligible for a grant under section 673 for a fifth and any succeeding year of a State's participation under this part, a State shall include in its application under section 678 for that year information and assurances demonstrating to the satisfaction of the Secretary that the State has in effect the statewide system required by section 676 and a description of services to be provided under section 676(b)(2).

(d) Exception.—Notwithstanding subsections (a) and (b), a State which has in effect a State law, enacted before September 1, 1986, that requires the provision of free appropriate public education to handicapped children from birth through age 2, inclusive, shall be eligible for a grant under section 673 for the first through fourth years of a State's participation under this part.

REQUIREMENTS FOR STATEWIDE SYSTEM

Sec. 676. (a) In General.—A statewide system of coordinated, comprehensive, multidisciplinary, interagency programs providing appropriate early intervention services to all handicapped infants and toddlers and their families shall include the minimum components under subsection (b).

(b) Minimum Components.—The stateside system required by subsection (a) shall include, at a minimum—

(1) a definition of the term "developmentally delayed" that will be used by the State in carrying out programs under this part.

(2) timetables for ensuring that appropriate early intervention services will be available to all handicapped infants and toddlers in the State before the beginning of the fifth year of a State's participation under this part,

(3) a timely, comprehensive, multidisciplinary evaluation of the functioning of each handicapped infant and toddler in the State and the needs of the families to appropriately assist in the development of the handicapped infant or toddler,

(4) for each handicapped infant and toddler in the State, an individualized family service plan in accordance with section 677, including case management services in accordance with such service plan.

(5) a comprehensive child find system, consistent with Part B, including a system for making referrals to service providers that includes timeliness and provides for the participation by primary referral sources,

(6) a public awareness program focusing on early identification of handicapped infants and toddlers,

(7) a central directory which includes early intervention services, resources, and experts available in the State and research and demonstration projects being conducted in the State,

(8) a comprehensive system of personnel development,

(9) a single line of responsibility in a lead agency designated or established by the Governor for carrying out—

(A) the general administration, supervision, and monitoring of programs and activities receiving assistance under section 673 to ensure compliance with this part,

(B) the identification and coordination of all available resources within the State from Federal, State, local and private sources,

(C) the assignment of financial responsibility to the appropriate agency,

(D) the development of procedures to ensure that services are provided to handicapped infants and toddlers and their

families in a timely manner pending the resolution of any disputes among public agencies or service providers,

(E) the resolution of intra- and inter-agency disputes, and

(F) the entry into formal interagency agreements that define the financial responsibility of each agency for paying for early intervention services (consistent with State law) and procedures for resolving disputes and that include all additional components necessary to ensure meaningful cooperation and coordination,

(10) a policy pertaining to the contracting or making of other arrangements with service providers to provide early intervention services in the State, consistent with the provisions of this part, including the contents of the application used and the conditions of the contract or other arrangements,

(11) a procedure for securing timely reimbursement of funds used under this part in accordance with section 681(a),

(12) procedural safeguards with respect to programs under this part as required by section 680, and

(13) policieis and procedures relating to the establishment and maintenance of standards to ensure that personnel necessary to carry out this part are appropriately and adequately prepared and trained, including—

(A) the establishment and maintenance of standards which are consistent with any State approved or recognized certification, licensing, registration, or other comparable requirements which apply to the area in which such personnel are providing early intervention services, and

(B) to the extent such standards are not based on the highest requirements in the State applicable to a specific profession or discipline, the steps the State is taking to require the retraining or hiring of personnel that meet appropriate professional requirements in the State, and

(14) a system for compiling data on the number of handicapped infants and toddlers and their families in the State in need of appropriate early intervention services (which may be based on a sampling of data), the number of such infants and toddlers and their families served, the types of services provided (which may be based on a sampling of data), and other information required by the Secretary.

INDIVIDUALIZED FAMILY SERVICE PLAN

SEC. 677. (a) ASSESSMENT AND PROGRAM DEVELOPMENT.—Each handicapped infant or toddler and the infant or toddler's family shall receive—

(1) a multidisciplinary assessment of unique needs and the identification of services appropriate to meet such needs, and

(2) a written individualized family service plan developed by a multidisciplinary team, including the parent or guardian, as required by subsection (d).

(b) PERIODIC REVIEW.—The individualized family service plan shall be evaluated once a year and the family shall be provided a review of the plan at 6-month intervals (or more often where appropriate based on infant and toddler and family needs).

(c) PROMPTNESS AFTER ASSESSMENT.—The individualized family service plan shall be developed within a reasonable time after the assessment required by subsection (a)(1) is completed. With the parent's consent, early intervention services may commence prior to the completion of such assessment.

(d) CONTENT OF PLAN.—The individualized family service plan shall be in writing and contain—

(1) a statement of the infant's or toddler's present levels of physical development, cognitive development, language and speech development, psycosocial development, and self-help skills, based on acceptable objective criteria,

(2) a statement of the family's strengths and needs relating to enhancing the development of the family's handicapped infant or toddler,

(3) a statement of the major outcomes expected to be achieved for the infant and toddler and the family, and the criteria, procedures, and timeliness used to determine the degree to which progress toward achieving the outcomes are being made and whether modifications or revisions of the outcomes or services are necessary,

(4) a statement of specific early intervention services necessary to meet the unique needs of the infant or toddler and the family, including the frequency, intensity, and the method of delivering services,

(5) the projected dates for initiation of services and the anticipated duration of such services,

(6) the name of the case manager from the profession most immediately relevant to the infant's and toddler's or family's needs who will be responsible for the implementation of the plan and coordination with other agencies and persons, and

(7) the steps to be taken supporting the transition of the handicapped toddler to services provided under part B to the extent such services are considered appropriate.

STATE APPLICATION AND ASSURANCES

SEC. 678. (a) APPLICATION.—Any State desiring to receive a grant under section 673 for any year shall submit an application to the Secretary at such time and in such manner as the Secretary may reasonably require by regulation. Such an application shall contain—

(2) a designation of the lead agency in the State that will be responsible for the administration of funds provided under section 673,

(2) information demonstrating eligibility of the State under section 674,

(3) the information or assurances required to demonstrate eligibility of the State or the particular year of participation under section 675, and

(4)(A) information demonstrating that the State has provided (i) public hearings, (ii) adequate notice of such hearings, and (iii) an opportunity for comment to the general public before the submission of such application and before the adoption by the

State of the policies described in such application, and (B) a summary of the public comments and the State's responses,

(5) a description of the uses for which funds will be expended in accordance with this part and for the fifth and succeeding fiscal years a description of the services to be provided,

(6) a decription of the procedure used to ensure an equitable distribution of resources made available under this part among all geographic areas within the State, and

(7) such other information and assurances as the Secretary may reasonably require by regulation.

(b) STATEMENT OF ASSURANCES.—Any State desiring to receive a grant under section 673 shall file with the Secretary a statement at such time and in such manner as the Secretary may reasonably require by regulation. Such statement shall—

(1) assure that funds paid to the State under section 673 will be expended in accordance with this part,

(2) contain assurances that the State will comply with the requirements of section 681,

(3) provide satisfactory assurance that the control of funds provided under section 673, and title to property derived therefrom, shall be in a public agency for the uses and purposes provided in this part and that a public agency will administer such funds and property,

(4) provide for (A) making such reports in such form and containing such information as the Secretary may require to carry out the Secretary's functions under this part, and (B) keeping such records and affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports and proper disbursement of Federal funds under this part,

(5) provide satsifactory assurance that Federal funds made available under section 673 (A) will not be commingled with State funds, and (B) will be so used as to supplement and increase the level of State and local funds expended for handicapped infants and toddlers and their families and in no case to supplant such State and local funds,

(6) provide satisfactory assurance that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under section 673 to the State, and

(7) such other information and assurances as the Secretary may reasonably require by regulation.

(c) APPROVAL OF APPLICATION AND ASSURANCES REQUIRED.—No State may receive a grant under section 673 unless the Secretary has approved the application and statement of assurances of that State. The Secretary shall not disapprove such an application or statement of assurances unless the Secretary determines, after notice and opportunity for a hearing, that the application or statement of assurances fails to comply with the requirements of this section.

USES OF FUNDS

SEC. 679. In addition to using funds provided under section 673 to plan, develop, and implement the statewide system required by section 676, a State may use such funds—

(1) for direct services for handicapped infants and toddlers that are not otherwise provided from other public or private sources, and

(2) to expand and improve on services for handicapped infants and toddlers that are otherwise available.

PROCEDURAL SAFEGUARDS

SEC. 680. The procedural safeguards required to be included in a statewide system under section 676(b)(12) shall provide, at a minimum, the following:

(1) The timely administrative resolution of complaints by parents. Any party aggrieved by the findings and decision regarding administrative complaint shall have the right to bring a civil action with respect to the complaint, which action may be brought in any State court of competent jurisdiction or in a district court of the United States without regard to the amount in controversy. In any action brought under this paragraph, the court shall receive the records of the administrative proceedings, shall hear additional evidence at the request of a party, and, basing its decision on the preponderance of the evidence, shall grant such relief as the court determines is appropriate.

(2) The right to confidentiality of personally identifiable information.

(3) The opportunity for parents and a guardian to examine records relating to assessment, screening, eligibility determinations, and the development and implementation of the individualized family service plan.

(4) Procedures to protect the rights of the handicapped infant and toddlers whenever the parents or guardian of the child are not known or unavailable or the child is a ward of the State, including the assignment of an individual (who shall not be an employee of the State agency providing services) to act as a surrogate for the parents or guardian.

(5) Written prior notice to the parents or guardian of the handicapped infant or toddler whenever the State agency or service provider proposes to initiate or change or refuses to initiate or change the identification, evaluation, placement, or the provision of appropriate early intervention services to the handicapped infant or toddler.

(6) Procedures designed to assure that the notice required by paragraph (5) fully informs the parents or guardian, in the parents' or guardian's native language, unless it clearly is not feasible to do so, of all procedures available pursuant to this section.

(7) During the pendency of any proceeding or action involving a complaint, unless the State agency and the parents or guardian otherwise agree, the child shall continue to receive the appropriate early intervention services currently being provided or

if applying for initial services shall receive the services not in dispute.

PAYOR OF LAST RESORT

SEC. 681. (a) NONSUBSTITUTION.—Funds provided under section 673 may not be used to satisfy a financial commitment for services which would have been paid for from another public or private source but for the enactment of this part, except that whenever considered necessary to prevent the delay in the receipt of appropriate early intervention services by the infant or toddler or family in a timely fashion, funds provided under section 673 may be used to pay the provider of services pending reimbursement from the agency which has ultimate responsibility for the payment.

(b) REDUCTION OF OTHER BENEFITS.—Nothing in this part shall be construed to permit the State to reduce medical or other assistance available or to alter eligibility under title V of the Social Security Act (relating to maternal and child health) or title XIX of the Social Security Act (relating to medicaid for handicapped infants and toddlers) within the State.

STATE INTERAGENCY COORDINATING COUNCIL

SEC. 682. (a) ESTABLISHMENT.—(1) Any State which desires to receive financial assistance under section 673 shall establish a State Interagency Coordinating Council composed of 15 members.

(2) The Council and the chairperson of the Council shall be appointed by the Governor. In making appointments to the Council, the Governor shall ensure that the membership of the Council reasonably represents the population of the State.

(b) COMPOSITION.—The Council shall be composed of—

(1) at least 3 parents of handicapped infants or toddlers or handicapped children aged 3 through 6, inclusive,

(2) at least 3 public or private providers of early intervention services,

(3) at least one representative from the State legislature,

(4) at least one person involved in personnel preparation, and

(5) other members representing each of the appropriate agencies involved in the provision of or payment for early intervention services to handicapped infants and toddlers and their families and others selected by the Governor.

(c) MEETINGS.—The Council shall meet at least quarterly and in such places as it deems necessary. The meetings shall be publicly announced, and, to the extent appropriate, open and accessible to the general public.

(d) MANAGEMENT AUTHORITY.—Subject to the approval of the Governor, the Council may prepare and approve a budget using funds under this part to hire staff, and obtain the services of such professional, technical, and clerical personnel as may be necessary to carry out its functions under this part.

(e) FUNCTIONS OF COUNCIL.—The Council shall—

(1) advise and assist the lead agency designated or established under section 676(b)(9) in the performance of the responsibilities set out in such section, particularly the identification of the sources of fiscal and other support for services for early

intervention programs, assignment of financial responsibility to the appropriate agency, and the promotion of the interagency agreements,

(2) advise and assist the lead agency in the preparation of applications and amendments thereto, and

(3) prepare and submit an annual report to the Governor and to the Secretary on the status of early intervention programs for handicapped infants and toddlers and their families operated within the State.

(f) CONFLICT OF INTEREST.—No member of the Council shall cast a vote on any matter which would provide direct financial benefit to that member or otherwise give the appearance of a conflict of interest under State law.

(g) USE OF EXISTING COUNCILS.—To the extent that a State has established a Council before September 1, 1986, that is comparable to the Council described in this section, such Council shall be considered to be in compliance with this section. Within 4 years after the date the State accepts funds under section 673, such State shall establish a council that complies in full with this section.

FEDERAL ADMINISTRATION

SEC. 683. Sections 616, 617, and 620 shall, to the extent not inconsistent with this part, apply to the program authorized by this part, except that—

(1) any reference to a State educational agency shall be deemed to be a reference to the State agency established or designated under section 676(b)(9),

(2) any reference to the education of handicapped children and the education of all handicapped children and the provision of free public education to all handicapped children shall be deemed to be a reference to the provision of services to handicapped infants and toddlers in accordance with this part, and

(3) any reference to local educational agencies and intermediate educational agencies shall be deemed to be a reference to local service providers under this part.

ALLOCATION OF FUNDS

SEC. 684. (a) From the sums appropriated to carry out this part for any fiscal year, the Secretary may reserve 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, the Republic of Palau, and the Commonwealth of the Northern Mariana Islands in accordance with their respective needs.

(b)(1) The Secretary shall make payments to the Secretary of the Interior according to the need for such assistance for the provision of early intervention services to handicapped infants and toddlers and their families on reservations serviced by the elementary and secondary schools operated for Indians by the Department of the Interior. The amount of such payment for any fiscal year shall be 1.25 percent of the aggregate of the amount available to all States under this part for that fiscal year.

(2) The Secretary of the Interior may receive an allotment under paragraph (1) only after submitting to the Secretary an application

which meets the requirements of section 678 and which is approved by the Secretary. Section 616 shall apply to any such application.

(c)(1) For each of the fiscal years 1987 through 1991 from the funds remaining after the reservation and payments under subsections (a) and (b), the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the number of infants and toddlers in the State bears to the number of infants and toddlers in all States, except that no State shall receive less than 0.5 percent of such remainder.

(2) For the purpose of paragraph (1)—

(A) the terms "infants" and "toddlers" mean children from birth to age 2, inclusive, and

(B) the term "State" does not include the jurisdictions described in subsection (a).

(d) If any State elects not to receive its allotment under subsection (c)(1), the Secretary shall reallot, among the remaining States, amounts from such State in accordance with such subsection.

AUTHORIZATION OF APPROPRIATIONS

SEC. 685. There are authorized to be appropriated to carry out this part $50,000,000 for fiscal year 1987, $75,000,000 for fiscal year 1988, and such sums as may be necessary for each of the 3 succeeding fiscal years.

○